

**Hand Composite Employee Benefit Trust
Western Asset Income CIF**

Independent Auditor's Report and Financial Statements

December 31, 2018



Hand Composite Employee Benefit Trust
December 31, 2018

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Independent Auditor's Report

Board of Directors
Hand Composite Employee Benefit Trust
Houston, Texas

We have audited the accompanying financial statements of the selected fund, Western Asset Income 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, 2018, and the related statements of operations and changes in net assets for the year then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal 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 Income CIF, as of December 31, 2018, 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 24, 2019

Hand Composite Employee Benefit Trust
Statement of Assets and Liabilities – Selected Fund
December 31, 2018

	Western Asset Income CIF
Assets	
Investments, at cost	\$ 258,885,851
Investments, at fair value	\$ 250,523,094
Cash	945,731
Cash denominated in foreign currencies (cost - \$924,520)	913,486
Receivable from broker - variation margin on open futures contracts	353,360
Unrealized gain on foreign currency forward exchange contracts	1,050,242
Deposits with brokers for OTC swap contracts	60,000
Deposits with brokers for centrally cleared swap contracts	462,000
Foreign currency collateral for open futures contracts, at value (cost - \$967,208)	969,203
Foreign currency collateral for centrally cleared swap contracts, at value (cost - \$622)	592
Receivable for:	
Investment securities sold	78,034
Capital shares sold	81,037
Dividends and interest	2,988,308
Investment advisor waived fees	17,883
Total assets	\$ 258,442,970
Liabilities	
Payable for investment securities purchased	\$ 2,009,190
Payable for capital shares redeemed	5,629,680
Management fee payable	70,585
Written options, at value (premiums received - \$96,312)	48,382
OTC swaps, at value (net premiums received - \$29,323)	28,293
Payable to broker - variation margin on centrally cleared swap contracts	9,839
Deposits from brokers for open futures contracts	305,532
Accrued foreign capital gains tax	1,620
Unrealized loss on foreign currency forward exchange contracts	306,005
Payable for open OTC swap contracts	286
Accounts payable and accrued liabilities	67,272
Total liabilities	\$ 8,476,684
Net assets held for participants:	
Class R1	\$ 10,293,788
Class R3	239,672,498
Total net assets held for participants	\$ 249,966,286
Units outstanding:	
Class R1	960,976
Class R3	22,357,925
Total units outstanding	23,318,901
Net asset value per unit:	
Class R1	\$ 10.71
Class R3	\$ 10.72

Hand Composite Employee Benefit Trust
Schedule of Investments
Western Asset Income CIF
December 31, 2018

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
2,821,659	State Street Institutional U.S. Government Money Market Fund, Premier Class 2.25% 12/31/2030	\$ 2,821,659	\$ 2,821,659
	Total Short Term Investment	1.13% <u>2,821,659</u>	<u>2,821,659</u>
<u>Exchange-Traded Fund</u>			
515,361	Invesco Senior Loan ETF	11,258,812	11,224,562
	Total Exchange-Traded Funds	4.48% <u>11,258,812</u>	<u>11,224,562</u>
<u>Common Stocks</u>			
<u>Energy</u>			
8,033	Berry Pete Corp.	104,429	70,048
47,386	Blue Ridge Mountain Resources, Inc.	229,822	189,923
	Total Energy	0.10% <u>334,251</u>	<u>259,971</u>
	Total Common Stocks	0.10% <u>334,251</u>	<u>259,971</u>
<u>Preferred Stock</u>			
<u>Financials</u>			
3,200	B. Riley Financial, Inc. 6.88% 09/30/2023	80,000	74,240
	Total Financials	0.03% <u>80,000</u>	<u>74,240</u>
	Total Preferred Stock	0.03% <u>80,000</u>	<u>74,240</u>
Principal Amount†		Cost	Fair Value
<u>Collateralized Mortgage Obligations</u>			
\$ 570,000	Connecticut Avenue Securities Trust Series 2018-R07, Class 1M2, 144A 4.91% 04/25/2031	570,000	560,645
492,126	Federal Home Loan Mortgage Corp. Series 2014-HQ3, Class M3 7.26% 10/25/2024	501,272	539,365
328,590	Federal Home Loan Mortgage Corp. Series 2015-DNA2, Class B 10.06% 12/25/2027	328,579	380,763
251,452	Federal Home Loan Mortgage Corp. Series 2015-DNA2, Class M2 5.11% 12/25/2027	254,101	254,961
290,491	Federal Home Loan Mortgage Corp. Series 2015-DNA3, Class M2 5.36% 04/25/2028	296,894	298,414
570,000	Federal Home Loan Mortgage Corp. Series 2016-DNA2, Class M3 7.16% 10/25/2028	585,141	640,945
312,265	Federal Home Loan Mortgage Corp. Series 2016-HQA1, Class M2 5.26% 09/25/2028	318,654	317,001
380,000	Federal Home Loan Mortgage Corp. Series 2017-DNA2, Class M2 5.96% 10/25/2029	415,314	402,114
410,000	Federal Home Loan Mortgage Corp. Series 2017-DNA3, Class M2 5.01% 03/25/2030	431,340	410,804
600,000	Federal Home Loan Mortgage Corp. Series 2018-DNA1, Class B1 5.66% 07/25/2030	600,000	551,497
600,000	Federal Home Loan Mortgage Corp. Series 2018-DNA1, Class M2 4.31% 07/25/2030	600,000	572,015

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value		
<i>Collateralized Mortgage Obligations (Continued)</i>					
\$	22,774	Federal Home Loan Mortgage Corp. Series 3422, Class AI, IO, REMIC 0.25% 01/15/2038	\$ 240	\$ 162	
	70,251	Federal Home Loan Mortgage Corp. Series 4415, Class IO, IO, REMIC 1.65% 04/15/2041	6,215	3,447	
	87,260	Federal National Mortgage Association Series 2005-88, Class IP, IO, REMIC 1.39% 10/25/2035	2,805	7,068	
	78,965	Federal National Mortgage Association Series 2006-118, Class IP1, IO, REMIC 2.38% 12/25/2036	1,409	6,409	
	87,246	Federal National Mortgage Association Series 2006-118, Class IP2, IO, REMIC 2.38% 12/25/2036	162	7,039	
	59,244	Federal National Mortgage Association Series 2006-28, Class IP, IO, REMIC 1.59% 04/25/2036	6,023	3,671	
	74,537	Federal National Mortgage Association Series 2006-59, Class IP, IO, REMIC 2.40% 07/25/2036	1,193	7,092	
	360,000	Federal National Mortgage Association Series 2014-C01, Class M2 6.91% 01/25/2024	406,310	397,976	
	390,000	Federal National Mortgage Association Series 2017-C06, Class 1M2 5.16% 02/25/2030	407,596	395,720	
	1,250,000	Federal National Mortgage Association Series 2018-C03, Class 1B1 6.26% 10/25/2030	1,250,000	1,182,811	
	1,310,000	Federal National Mortgage Association Series 2018-C06, Class 1M2 4.51% 03/25/2031	1,310,000	1,258,551	
	72,532	Government National Mortgage Association Series 2013-150, Class IA, IO 0.66% 11/20/2042	6,460	2,362	
	1,434,864	GSMSC Resecuritization Trust Series 2015-7R, Class A, 144A 2.50% 09/26/2037	1,403,526	1,402,117	
	371,018	New Residential Mortgage Loan Trust Series 2015-1A, Class A3 144A 3.75% 05/28/2052	371,475	371,710	
	398,507	Nomura Asset Acceptance Corp. Alternative Loan Trust Series 2007-1, Class 1A4 6.14% 03/25/2047	401,477	402,698	
		Total Collateralized Mortgage Obligations	4.14%	10,476,186	10,377,357
<i>Corporate Bonds</i>					
<i>Basic Materials</i>					
	420,000	Alcoa Nederland Holding BV Company Guarantee REGS 7.00% 09/30/2026	449,900	428,400	
	300,000	OCP S.A. Sr Unsecured REGS 4.50% 10/22/2025	290,106	287,286	
	890,000	Suzano Austria GmbH Company Guarantee 144A 6.00% 01/15/2029	899,181	908,245	
		Total Basic Materials	0.65%	1,639,187	1,623,931
<i>Communications</i>					
	200,000	Altice Luxembourg S.A. Company Guarantee REGS 7.75% 05/15/2022	186,584	182,000	
	425,000	CSC Holdings LLC Sr Unsecured 144A 10.88% 10/15/2025	483,075	477,594	
	120,000	Liberty Interactive LLC Sr Unsecured 144A 1.75% 09/30/2046	135,342	122,694	
	290,000	Univision Communications, Inc. Sr Secured 144A 5.13% 05/15/2023	276,286	260,275	
	475,000	Univision Communications, Inc. Sr Secured 144A 5.13% 02/15/2025	440,182	416,812	
	250,000	Urban One, Inc. Sr Secured REGS 7.38% 04/15/2022	252,756	236,250	
GBP	153,000	Virgin Media Secured Finance PLC Sr Secured REGS 5.50% 01/15/2025	218,916	193,454	
		Total Communications	0.75%	1,993,141	1,889,079
<i>Consumer Discretionary</i>					
	400,000	Adient Global Holdings Ltd. Company Guarantee REGS 4.88% 08/15/2026	401,601	306,000	
	200,000	Berry Petroleum Co. LLC Sr Secured 6.75% 11/01/2020	-	-	
	300,000	Carriage Services, Inc. Company Guarantee 144A 6.63% 06/01/2026	297,024	294,000	
	705,000	Carrols Restaurant Group, Inc. Secured 8.00% 05/01/2022	724,690	706,762	

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Consumer Discretionary (Continued)</i>			
\$	700,000 CCO Holdings LLC / CCO Holdings Capital Corp. Sr Unsecured 144A 5.13% 05/01/2027	\$ 664,256	\$ 651,980
	300,000 Centene Corp. Sr Unsecured 144A 5.38% 06/01/2026	308,394	291,750
GBP	140,000 Co-operative Group Holdings 2011 Ltd. Company Guarantee REGS 7.50% 07/08/2026	229,462	196,824
	250,000 Cooperatieve Rabobank UA Company Guarantee 3.75% 07/21/2026	234,869	234,284
	10,000 GLP Capital L.P. / GLP Financing II, Inc. Company Guarantee 5.38% 04/15/2026	10,000	9,890
	630,000 Hanesbrands, Inc. Company Guarantee 144A 4.88% 05/15/2026	591,764	567,788
	620,000 Hanesbrands, Inc. Company Guarantee REGS 4.88% 05/15/2026	614,757	558,775
	670,000 Hilton Worldwide Finance LLC / Hilton Worldwide Finance Corp. Company Guarantee 4.88% 04/01/2027	669,182	628,125
	440,000 Jack Ohio Finance LLC / Jack Ohio Finance 1 Corp. Secured 144A 10.25% 11/15/2022	476,636	466,400
	630,000 JPMorgan Chase & Co. Sr Unsecured 4.45% 12/05/2029	637,344	640,801
	950,000 KazMunayGas National Co. JSC Sr Unsecured 144A 4.75% 04/19/2027	921,195	923,839
	950,000 KazTransGas JSC Company Guarantee 144A 4.38% 09/26/2027	900,021	880,321
	470,000 L Brands, Inc. Company Guarantee 5.25% 02/01/2028	422,921	401,850
	610,000 L Brands, Inc. Company Guarantee 5.63% 10/15/2023	606,971	598,562
	100,000 Lennar Corp. Company Guarantee 4.50% 04/30/2024	100,000	94,500
	340,000 Lennar Corp. Company Guarantee 4.75% 11/29/2027	316,111	306,850
	260,000 MarkWest Energy Partners L.P. / MarkWest Energy Finance Corp. Company Guarantee 4.88% 12/01/2024	263,076	264,662
	100,000 NCL Corp. Ltd. Sr Unsecured REGS 4.75% 12/15/2021	101,094	99,250
	400,000 Neovia Logistics Services LLC / SPL Logistics Finance Corp. Sr Secured 144A 8.88% 08/01/2020	359,366	348,000
	430,000 OCP S.A. Sr Unsecured REGS 4.50% 10/22/2025	428,214	411,777
	90,000 Sally Holdings LLC / Sally Capital, Inc. Company Guarantee 5.63% 12/01/2025	84,712	82,800
	300,000 Sands China Ltd. Sr Unsecured 144A 5.13% 08/08/2025	299,751	297,075
	400,000 Silversea Cruise Finance Ltd. Sr Secured 144A 7.25% 02/01/2025	430,653	422,880
	1,125,000 Service Corp. International Sr Unsecured 7.50% 04/01/2027	1,266,451	1,215,000
	60,000 Speedway Motorsports, Inc. Company Guarantee 5.13% 02/01/2023	59,961	58,800
	210,000 Targa Resources Partners L.P. / Targa Resources Partners Finance Corp. Company Guarantee 4.25% 11/15/2023	200,355	194,513
	330,000 Taylor Morrison Communities, Inc. / Taylor Morrison Holdings II, Inc. Company Guarantee REGS 5.63% 03/01/2024	340,144	313,500
	60,000 Time Warner Cable LLC Sr Secured 5.88% 11/15/2040	57,851	57,303
	240,000 Univision Communications, Inc. Sr Secured 144A 6.75% 09/15/2022	242,478	238,800
GBP	150,000 Vue International Bidco PLC Sr Secured REGS 7.88% 07/15/2020	231,575	188,083
	700,000 Weight Watchers International, Inc. Company Guarantee 144A 8.63% 12/01/2025	760,031	714,000
	Total Consumer Discretionary	5.45% 14,252,910	13,665,744
<i>Consumer Staples</i>			
	570,000 Braskem Netherlands Finance BV Company Guarantee 144A 4.50% 01/10/2028	541,993	526,828
	950,000 CCO Holdings LLC / CCO Holdings Capital Corp. Sr Unsecured 5.13% 02/15/2023	951,086	926,250
	40,000 CVS Health Corp. Sr Unsecured 5.13% 07/20/2045	40,829	38,936
	100,000 Kraft Heinz Foods Co. Company Guarantee 3.95% 07/15/2025	98,163	96,776
	10,000 Kraft Heinz Foods Co. Company Guarantee 3.00% 06/01/2026	9,198	8,921
	50,000 Kraft Heinz Foods Co. Company Guarantee 5.20% 07/15/2045	55,146	45,689
	400,000 Lamb Weston Holdings, Inc. Company Guarantee 144A 4.88% 11/01/2026	398,376	384,000
	210,000 Lamb Weston Holdings, Inc. Company Guarantee REGS 4.88% 11/01/2026	213,775	201,600
	620,000 Spectrum Brands, Inc. Company Guarantee 5.75% 07/15/2025	612,756	588,814
	500,000 WEA Finance LLC Company Guarantee 144A 4.63% 09/20/2048	488,512	487,414
	Total Consumer Staples	1.32% 3,409,834	3,305,228

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Consumer, Cyclical</i>			
\$ 500,000	1011778 BC ULC / New Red Finance, Inc. Sr Secured 144A 4.63% 01/15/2022	\$ 495,743	\$ 483,750
440,000	JB Poindexter & Co., Inc. Sr Unsecured 144A 7.13% 04/15/2026	455,109	411,400
	Total Consumer, Cyclical	<i>0.36%</i> <u>950,852</u>	<u>895,150</u>
<i>Consumer, Non-cyclical</i>			
200,000	Ashtead Capital, Inc. Secured REGS 4.13% 08/15/2025	196,783	183,000
100,000	Cott Holdings, Inc. Company Guarantee REGS 5.50% 04/01/2025	100,307	94,250
860,000	HCA, Inc. Company Guarantee 5.63% 09/01/2028	860,724	829,900
250,000	Prosperous Ray Ltd. Company Guarantee REGS 4.63% 11/12/2023	258,262	256,776
	Total Consumer, Non-cyclical	<i>0.54%</i> <u>1,416,076</u>	<u>1,363,926</u>
<i>Energy</i>			
100,000	Anadarko Petroleum Corp. Sr Unsecured 4.50% 07/15/2044	103,543	84,740
240,000	Anadarko Petroleum Corp. Sr Unsecured 5.55% 03/15/2026	250,645	251,361
100,000	Anadarko Petroleum Corp. Sr Unsecured 6.60% 03/15/2046	121,447	110,418
80,000	Apache Corp. Sr Unsecured 4.25% 01/15/2044	70,166	64,412
410,000	Apache Corp. Sr Unsecured 4.38% 10/15/2028	382,155	382,942
450,000	Bausch Health Cos., Inc. Company Guarantee 144A 5.50% 03/01/2023	428,848	411,750
330,000	Berry Petroleum Co. LLC Company Guarantee 144A 7.00% 02/15/2026	303,803	297,000
210,000	Blue Racer Midstream LLC / Blue Racer Finance Corp. Sr Unsecured 144A 6.63% 07/15/2026	210,000	195,300
430,000	Cheniere Corpus Christi Holdings LLC Sr Secured 5.13% 06/30/2027	427,957	405,942
50,000	Cheniere Energy, Inc. Sr Unsecured 4.25% 03/15/2045	40,281	34,780
200,000	Chesapeake Energy Corp. Company Guarantee 6.13% 02/15/2021	186,921	188,000
650,000	Chesapeake Energy Corp. Company Guarantee 8.00% 01/15/2025	655,132	573,625
560,000	Chesapeake Energy Corp. Company Guarantee 8.00% 06/15/2027	523,880	470,400
410,000	Cimarex Energy Co. Sr Unsecured 3.90% 05/15/2027	381,627	380,456
400,000	Continental Resources, Inc. Company Guarantee 4.38% 01/15/2028	375,886	376,305
360,000	Covey Park Energy LLC / Covey Park Finance Corp. Company Guarantee 144A 7.50% 05/15/2025	331,385	309,600
500,000	Covey Park Energy LLC / Covey Park Finance Corp. Company Guarantee REGS 7.50% 05/15/2025	508,589	430,000
150,000	DCP Midstream Operating L.P. Company Guarantee 4.95% 04/01/2022	151,986	148,500
130,000	Devon Energy Corp. Sr Unsecured 5.00% 06/15/2045	128,821	114,517
10,000	Devon Energy Corp. Sr Unsecured 5.60% 07/15/2041	10,120	9,482
420,000	Diamondback Energy, Inc. Company Guarantee 5.38% 05/31/2025	424,842	409,500
690,000	Diamondback Energy, Inc. Company Guarantee 144A 4.75% 11/01/2024	688,342	665,850
140,000	Eclipse Resources Corp. Company Guarantee 8.88% 07/15/2023	141,942	120,050
410,000	EP Energy LLC / Everest Acquisition Finance, Inc. Company Guarantee 6.38% 06/15/2023	279,416	129,150
250,000	EP Energy LLC / Everest Acquisition Finance, Inc. Secured REGS 8.00% 02/15/2025	193,030	103,125
210,000	Extraction Oil & Gas, Inc. Company Guarantee 144A 5.63% 02/01/2026	188,196	153,300
260,000	Extraction Oil & Gas, Inc. Company Guarantee 144A 7.38% 05/15/2024	259,775	214,500
130,000	Hertz Corp. Company Guarantee 5.88% 10/15/2020	126,640	126,100
460,000	KCA Deutag UK Finance PLC Sr Secured REGS 7.25% 05/15/2021	442,185	372,600

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
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Principal Amount†		Cost	Fair Value
<i>Energy (Continued)</i>			
\$	460,000 Lukoil International Finance BV Company Guarantee REGS 4.75% 11/02/2026	\$ 460,830	\$ 444,590
	1,370,000 MEG Energy Corp. Company Guarantee 144A 7.00% 03/31/2024	1,307,099	1,308,350
	400,000 MPLX L.P. Sr Unsecured 4.00% 03/15/2028	374,214	374,900
	390,000 Occidental Petroleum Corp. Sr Unsecured 4.20% 03/15/2048	374,498	372,740
	30,000 Occidental Petroleum Corp. Sr Unsecured 4.63% 06/15/2045	29,779	29,785
	810,000 Oversea-Chinese Banking Corp., Ltd. Subordinated REGS 4.25% 06/19/2024	815,597	814,300
	1,120,000 Petrobras Global Finance BV Company Guarantee 5.30% 01/27/2025	1,054,961	1,069,600
	1,280,000 Petrobras Global Finance BV Company Guarantee 5.75% 02/01/2029	1,175,681	1,184,000
	90,000 Petrobras Global Finance BV Company Guarantee 6.85% 06/05/2115	71,739	80,415
	430,000 Range Resources Corp. Company Guarantee 5.00% 03/15/2023	412,535	378,400
	750,000 Rockies Express Pipeline LLC Sr Unsecured REGS 6.88% 04/15/2040	882,205	783,750
	250,000 Rose Rock Midstream L.P. / Rose Rock Finance Corp. Company Guarantee 5.63% 11/15/2023	246,619	227,500
	490,000 Shelf Drilling Holdings Ltd. Company Guarantee 144A 8.25% 02/15/2025	467,167	418,950
	350,000 Sinopec Group Overseas Development 2013 Ltd. Company Guarantee REGS 4.38% 10/17/2023	355,840	357,810
	1,090,000 Transportadora de Gas del Sur S.A. Sr Unsecured 144A 6.75% 05/02/2025	1,000,467	990,548
	440,000 Vale Overseas Ltd. Company Guarantee 6.25% 08/10/2026	469,626	475,200
	370,000 Vale Overseas Ltd. Company Guarantee 6.88% 11/10/2039	375,778	427,350
	230,000 William Lyon Homes, Inc. Company Guarantee 7.00% 08/15/2022	231,841	227,700
	1,910,000 Williams Cos., Inc. Sr Unsecured 8.75% 03/15/2032	2,431,553	2,484,828
	30,000 WPX Energy, Inc. Sr Unsecured 5.75% 06/01/2026	30,000	27,150
	250,000 WPX Energy, Inc. Sr Unsecured 8.25% 08/01/2023	274,170	261,250
	1,340,000 YPF S.A. Sr Unsecured REGS 8.50% 03/23/2021	1,334,809	1,323,250
	Total Energy	8.62% <u>22,514,568</u>	<u>21,596,071</u>
<i>Financial</i>			
EUR	200,000 Banco Bilbao Vizcaya Argentaria S.A. Jr Subordinated REGS 7.00% 02/19/2019	249,223	228,530
	80,000 GLP Capital L.P. / GLP Financing II, Inc. Company Guarantee 5.75% 06/01/2028	80,000	80,800
	290,000 Newmark Group, Inc. Sr Unsecured 144A 6.13% 11/15/2023	286,999	285,558
	420,000 Quicken Loans, Inc. Company Guarantee 144A 5.75% 05/01/2025	409,093	392,700
	475,000 Quicken Loans, Inc. Company Guarantee 144A 5.25% 01/15/2028	442,076	420,375
	Total Financial	0.56% <u>1,467,391</u>	<u>1,407,963</u>
<i>Financials</i>			
	350,000 ARD Finance S.A. Sr Secured 7.13% 09/15/2023	355,602	314,125
	380,000 Prime Security Services Borrower LLC / Prime Finance, Inc. Secured 144A 9.25% 05/15/2023	400,800	391,875
	470,000 Banco Mercantil del Norte S.A. Jr Subordinated 144A 7.63% 01/10/2028	446,030	454,725
	70,000 Bank of America Corp. Sr Unsecured MTN 3.88% 08/01/2025	69,911	69,248
	20,000 Bank of America Corp. Sr Unsecured MTN 5.00% 01/21/2044	21,848	20,697
	90,000 Bank of America Corp. Subordinated MTN 4.20% 08/26/2024	90,936	89,262
	200,000 Barclays Bank PLC Subordinated 7.63% 11/21/2022	207,632	207,250
	200,000 Barclays PLC Jr Subordinated 7.75% 09/15/2023	200,000	192,384
	400,000 Barclays PLC Sr Unsecured 4.97% 05/16/2029	398,714	385,671
	200,000 Citigroup, Inc. Sr Unsecured 4.65% 07/23/2048	199,290	195,463
	201,000 Citigroup, Inc. Sr Unsecured 8.13% 07/15/2039	282,010	278,858
	380,000 CoreCivic, Inc. Company Guarantee 4.63% 05/01/2023	353,357	351,500
	250,000 Country Garden Holdings Co., Ltd. Sr Secured REGS 7.25% 04/04/2021	253,183	250,122

See Notes to Financial Statements

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Financials (Continued)</i>			
\$	240,000 Credit Agricole S.A. Jr Subordinated 144A 8.13% 12/23/2025	\$ 260,347	\$ 246,600
	200,000 Credit Suisse Group AG Jr Subordinated 144A 7.25% 09/12/2025	200,000	188,670
	210,000 Credit Suisse Group AG Jr Subordinated 144A 7.50% 07/17/2023	210,000	204,750
	950,000 DP World Ltd. Sr Unsecured 144A 5.63% 09/25/2048	925,472	893,000
	790,000 Goldman Sachs Group, Inc. Sr Unsecured 4.22% 05/01/2029	758,462	760,287
	130,000 Goldman Sachs Group, Inc. Subordinated 5.15% 05/22/2045	125,508	121,568
	100,000 Goldman Sachs Group, Inc. Subordinated 6.75% 10/01/2037	127,560	112,928
	400,000 Goodman HK Finance Company Guarantee REGS 4.38% 06/19/2024	404,007	400,550
	200,000 HSBC Holdings PLC Jr Subordinated 6.25% 03/23/2023	200,000	187,500
	600,000 HSBC Holdings PLC Jr Subordinated 6.50% 03/23/2028	567,500	545,250
	200,000 HSBC Holdings PLC Sr Unsecured 4.58% 06/19/2029	200,000	198,248
	240,000 HSBC Holdings PLC Subordinated 4.25% 08/18/2025	249,303	232,942
	1,000,000 Intesa Sanpaolo S.p.A. Sr Unsecured 144A 3.88% 07/14/2027	843,766	860,178
	800,000 Intesa Sanpaolo S.p.A. Subordinated 144A 5.71% 01/15/2026	743,189	733,342
	1,000,000 Intesa Sanpaolo S.p.A. Subordinated 144A 5.02% 06/26/2024	924,705	906,883
	790,000 Itau CorpBanca Sr Unsecured REGS 3.88% 09/22/2019	792,584	793,260
	200,000 Lloyds Banking Group PLC Jr Subordinated 7.50% 06/27/2024	204,779	192,960
	450,000 Lloyds Banking Group PLC Subordinated 4.65% 03/24/2026	449,343	423,085
GBP	150,000 Nationwide Building Society Jr Subordinated REGS 6.88% 06/20/2019	228,272	192,337
	380,000 Northwest Acquisitions ULC / Dominion Finco, Inc. Secured 144A 7.13% 11/01/2022	379,510	375,364
	400,000 Quicken Loans, Inc. Company Guarantee REGS 5.75% 05/01/2025	389,152	374,000
	230,000 RegionalCare Hospital Partners Holdings, Inc. Sr Secured 144A 8.25% 05/01/2023	240,662	232,300
	200,000 Royal Bank of Scotland Group PLC Jr Subordinated 8.63% 08/15/2021	199,803	207,000
	120,000 Royal Bank of Scotland Group PLC Subordinated 5.13% 05/28/2024	120,540	116,348
	100,000 Royal Bank of Scotland Group PLC Subordinated 6.00% 12/19/2023	105,394	101,210
GBP	200,000 Santander UK Group Holdings PLC Jr Subordinated REGS 7.38% 06/24/2022	308,774	255,542
	710,000 Santander UK Group Holdings PLC Subordinated 144A 4.75% 09/15/2025	680,808	667,545
	140,000 T-Mobile USA, Inc. Company Guarantee 4.75% 02/01/2028	140,000	126,700
	660,000 T-Mobile USA, Inc. Company Guarantee 6.50% 01/15/2026	687,849	673,200
	510,000 UBS Group Funding Switzerland AG Company Guarantee 144A 4.25% 03/23/2028	500,843	502,880
	190,000 Wells Fargo & Co. Subordinated 4.30% 07/22/2027	189,707	186,896
	1,020,000 XPO CNW, Inc. Sr Unsecured 6.70% 05/01/2034	1,015,952	867,000
	Total Financials	6.42% <u>16,653,104</u>	<u>16,081,503</u>
<i>Healthcare</i>			
	700,000 Bausch Health Cos., Inc. Company Guarantee REGS 9.00% 12/15/2025	700,000	696,500
	79,000 Becton Dickinson & Co. Sr Unsecured 4.88% 05/15/2044	86,208	74,784
	860,000 BioScrip, Inc. Company Guarantee 8.88% 02/15/2021	808,277	801,950
	20,000 Centene Corp. Sr Unsecured 6.13% 02/15/2024	20,839	20,475
	725,000 Cott Holdings, Inc. Company Guarantee 144A 5.50% 04/01/2025	713,195	683,312
	390,000 CVS Health Corp. Sr Unsecured 4.30% 03/25/2028	380,178	381,268

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Healthcare (Continued)</i>			
\$ 740,000	CVS Health Corp. Sr Unsecured 4.78% 03/25/2038	\$ 731,732	\$ 709,109
90,000	Genesis Energy L.P. / Genesis Energy Finance Corp. Company Guarantee 5.63% 06/15/2024	85,377	77,175
430,000	Genesis Energy L.P. / Genesis Energy Finance Corp. Company Guarantee 6.00% 05/15/2023	414,074	397,750
1,540,000	HCA, Inc. Sr Secured 5.50% 06/15/2047	1,514,476	1,459,150
630,000	Immucor, Inc. Company Guarantee 144A 11.13% 02/15/2022	642,506	630,000
525,000	International Game Technology PLC Sr Secured 144A 6.50% 02/15/2025	535,900	517,125
280,000	Jaguar Land Rover Automotive PLC Company Guarantee 144A 4.50% 10/01/2027	235,336	208,600
550,000	Myriad International Holdings BV Company Guarantee 144A 4.85% 07/06/2027	543,285	526,766
840,000	Pactiv LLC Sr Unsecured 8.38% 04/15/2027	851,942	831,600
450,000	Scientific Games International, Inc. Company Guarantee 6.63% 05/15/2021	458,073	426,375
420,000	Scientific Games International, Inc. Company Guarantee 10.00% 12/01/2022	440,122	426,300
475,000	Scientific Games International, Inc. Sr Secured 144A 5.00% 10/15/2025	459,436	423,937
100,000	Tenet Healthcare Corp. Secured 144A 7.50% 01/01/2022	103,750	101,500
220,000	Teva Pharmaceutical Finance Netherlands III BV Company Guarantee 2.80% 07/21/2023	196,422	189,474
770,000	Viking Cruises Ltd. Company Guarantee 144A 5.88% 09/15/2027	757,836	718,025
1,090,000	VOC Escrow Ltd. Sr Secured 144A 5.00% 02/15/2028	1,022,345	1,005,525
	Total Healthcare	4.51% 11,701,309	11,306,700
<i>Industrials</i>			
10,000	Actavis Funding SCS Company Guarantee 3.45% 03/15/2022	9,993	9,841
30,000	Actavis Funding SCS Company Guarantee 4.55% 03/15/2035	30,817	28,458
24,000	Actavis Funding SCS Company Guarantee 4.75% 03/15/2045	23,962	22,783
220,000	Ashtead Capital, Inc. Secured 144A 5.25% 08/01/2026	220,000	212,300
745,000	ASP AMC Merger Sub, Inc. Sr Unsecured 144A 8.00% 05/15/2025	646,427	394,850
420,000	Avolon Holdings Funding Ltd. Company Guarantee 144A 5.13% 10/01/2023	411,739	401,100
140,000	Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 4.20% 03/15/2028	130,998	131,880
120,000	Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 4.91% 07/23/2025	125,499	119,323
50,000	Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 5.38% 04/01/2038	49,435	46,551
180,000	Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 5.75% 04/01/2048	172,735	168,555
220,000	Cleaver-Brooks, Inc. Sr Secured 144A 7.88% 03/01/2023	225,107	212,300
160,000	CTR Partnership L.P. / CareTrust Capital Corp. Company Guarantee 5.25% 06/01/2025	160,000	154,000
1,000,000	DAE Funding LLC Sr Unsecured 144A 5.75% 11/15/2023	990,103	990,000
210,000	FTI Consulting, Inc. Sr Unsecured 144A 2.00% 08/15/2023	210,000	200,156
980,000	General Electric Co. Sr Unsecured 6.88% 01/10/2039	1,094,370	1,024,594
450,000	GFL Environmental, Inc. Sr Unsecured 144A 5.38% 03/01/2023	424,305	393,750
675,000	MPT Operating Partnership L.P. / MPT Finance Corp. Company Guarantee 5.00% 10/15/2027	649,139	617,203
186,000	MPT Operating Partnership L.P. / MPT Finance Corp. Company Guarantee 5.25% 08/01/2026	178,235	175,305
500,000	Navios Maritime Acquisition Corp. / Navios Acquisition Finance US, Inc. Sr Secured REGS 8.13% 11/15/2021	470,032	375,000
360,000	NGPL PipeCo LLC Sr Unsecured 144A 7.77% 12/15/2037	415,794	410,400
410,000	Park Aerospace Holdings Ltd. Company Guarantee REGS 5.50% 02/15/2024	425,404	395,650

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Industrials (Continued)</i>			
\$ 860,000	Standard Industries, Inc. Sr Unsecured 144A 6.00% 10/15/2025	\$ 856,326	\$ 824,826
290,000	Union Pacific Corp. Sr Unsecured 4.50% 09/10/2048	292,818	285,954
1,845,000	United Rentals North America, Inc. Company Guarantee 4.88% 01/15/2028	1,706,740	1,618,988
100,000	United Rentals North America, Inc. Company Guarantee 6.50% 12/15/2026	100,000	98,500
80,000	United Rentals North America, Inc. Secured 4.63% 07/15/2023	79,359	78,500
240,000	United Technologies Corp. Sr Unsecured 4.13% 11/16/2028	239,916	237,768
500,000	UPCB Finance IV Ltd. Sr Secured 144A 5.38% 01/15/2025	482,592	467,560
670,000	Waste Pro USA, Inc. Sr Unsecured 144A 5.50% 02/15/2026	647,634	616,400
330,000	Windstream Services LLC / Windstream Finance Corp. Secured 144A 10.50% 06/30/2024	301,180	250,800
	Total Industrials	4.38% <u>11,770,659</u>	<u>10,963,295</u>
<i>Information Technology</i>			
635,000	Altice France S.A. Sr Secured 144A 7.38% 05/01/2026	628,814	582,613
250,000	Altice France S.A. Sr Secured REGS 7.38% 05/01/2026	254,958	229,375
50,000	CalAtlantic Group, Inc. Company Guarantee 5.25% 06/01/2026	46,347	46,875
490,000	Cogent Communications Group, Inc. Sr Secured 144A 5.38% 03/01/2022	493,060	486,325
200,000	CSC Holdings LLC Company Guarantee REGS 6.63% 10/15/2025	212,612	202,500
380,000	Enterprise Products Operating LLC Company Guarantee 4.15% 10/16/2028	378,043	378,085
390,000	KCA Deutag UK Finance PLC Sr Secured 144A 7.25% 05/15/2021	377,925	315,900
80,000	Western Digital Corp. Company Guarantee 144A 1.50% 02/01/2024	70,317	64,832
210,000	ZF North America Capital, Inc. Company Guarantee REGS 4.75% 04/29/2025	215,114	195,440
	Total Information Technology	1.00% <u>2,677,190</u>	<u>2,501,945</u>
<i>Materials</i>			
600,000	Alcoa Nederland Holding BV Company Guarantee 144A 6.13% 05/15/2028	589,712	574,500
40,000	Ensc0 PLC Sr Unsecured 7.75% 02/01/2026	40,000	29,600
750,000	First Quantum Minerals Ltd. Company Guarantee 144A 7.00% 02/15/2021	730,866	720,000
665,000	First Quantum Minerals Ltd. Company Guarantee 144A 7.50% 04/01/2025	660,728	548,625
40,000	Freep0rt-McMoRan, Inc. Company Guarantee 5.40% 11/14/2034	36,878	31,500
1,500,000	Freep0rt-McMoRan, Inc. Company Guarantee 5.45% 03/15/2043	1,327,675	1,141,875
600,000	Glencore Funding LLC Company Guarantee 144A 3.88% 10/27/2027	564,479	536,388
200,000	Glencore Funding LLC Company Guarantee 144A 4.00% 03/27/2027	182,468	182,196
855,000	Golden Nugget, Inc. Company Guarantee 144A 8.75% 10/01/2025	894,714	820,800
40,000	Hudbay Minerals, Inc. Company Guarantee 144A 7.25% 01/15/2023	40,146	39,500
320,000	Hudbay Minerals, Inc. Company Guarantee REGS 7.63% 01/15/2025	340,295	312,800
450,000	Suzano Austria GmbH Company Guarantee REGS 5.75% 07/14/2026	456,664	459,000
700,000	Yamana Gold, Inc. Company Guarantee 4.95% 07/15/2024	677,881	684,775
	Total Materials	2.43% <u>6,542,506</u>	<u>6,081,559</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value		
<i>Telecommunication Services</i>					
\$	1,290,000	Altice France S.A. Sr Secured 144A 8.13% 02/01/2027	\$ 1,264,286	\$ 1,215,825	
	500,000	Altice Luxembourg S.A. Company Guarantee 144A 7.75% 05/15/2022	469,034	455,000	
	250,000	Comcast Corp. Company Guarantee 4.15% 10/15/2028	252,269	253,858	
	110,000	Comcast Corp. Company Guarantee 4.25% 10/15/2030	108,409	111,244	
	570,000	Comcast Corp. Company Guarantee 4.70% 10/15/2048	569,534	576,202	
	2,120,000	DISH DBS Corp. Company Guarantee 7.75% 07/01/2026	1,892,450	1,754,300	
	30,000	DISH Network Corp. Sr Unsecured 3.38% 08/15/2026	29,547	24,225	
	60,000	GCI Liberty, Inc. Sr Unsecured 144A 1.75% 09/30/2046	60,170	58,424	
	200,000	Levi Strauss & Co. Sr Unsecured 5.00% 05/01/2025	199,505	195,500	
	380,000	Match Group, Inc. Sr Unsecured 144A 5.00% 12/15/2027	356,251	348,650	
	425,000	Meredith Corp. Company Guarantee 144A 6.88% 02/01/2026	428,891	415,438	
	340,000	Netflix, Inc. Sr Unsecured 144A 6.38% 05/15/2029	340,000	335,325	
	940,000	Perusahaan Listrik Negara PT Sr Unsecured 144A 4.13% 05/15/2027	879,866	869,420	
	1,190,000	Sprint Capital Corp. Company Guarantee 8.75% 03/15/2032	1,334,166	1,255,450	
	80,000	Sprint Corp. Company Guarantee 7.13% 06/15/2024	78,923	79,227	
	140,000	Sprint Corp. Company Guarantee 7.63% 03/01/2026	140,000	138,250	
	575,000	Sprint Corp. Company Guarantee 7.88% 09/15/2023	603,373	590,094	
	1,560,000	Telecom Italia Sp A Sr Unsecured 144A 5.30% 05/30/2024	1,481,660	1,482,000	
	110,000	Twitter, Inc. Sr Unsecured 1.00% 09/15/2021	103,153	100,323	
	180,000	Verizon Communications, Inc. Sr Unsecured 4.52% 09/15/2048	169,023	168,706	
	350,000	Vodafone Group PLC Sr Unsecured 4.38% 05/30/2028	346,481	339,524	
	110,000	Vodafone Group PLC Sr Unsecured 5.25% 05/30/2048	110,254	103,272	
		Total Telecommunication Services	4.34%	<u>11,217,245</u>	<u>10,870,257</u>
<i>Utilities</i>					
GBP	150,000	Anglian Water Osprey Financing PLC Sr Secured REGS 5.00% 04/30/2023	229,690	187,515	
GBP	140,000	Enel S.p.A. Jr Subordinated REGS 7.75% 09/10/2075	224,567	188,298	
	250,000	FirstEnergy Corp. Sr Unsecured Series C 7.38% 11/15/2031	307,959	315,887	
	200,000	ICICI Bank Ltd. Sr Unsecured REGS 4.80% 05/22/2019	201,473	200,529	
	440,000	NRG Energy, Inc. Company Guarantee 7.25% 05/15/2026	469,920	456,500	
	160,000	Pacific Gas & Electric Co. Sr Unsecured 3.25% 09/15/2021	146,799	147,369	
	70,000	Pacific Gas & Electric Co. Sr Unsecured 2.95% 03/01/2026	58,604	57,553	
	40,000	Pacific Gas & Electric Co. Sr Unsecured 3.25% 06/15/2023	34,133	35,386	
	630,000	Pacific Gas & Electric Co. Sr Unsecured 3.50% 10/01/2020	587,939	600,316	
		Total Utilities	0.87%	<u>2,261,084</u>	<u>2,189,353</u>
		Total Corporate Bonds	42.20%	<u>110,467,056</u>	<u>105,741,704</u>
<i>Floating Rate Loans</i>					
<i>Communications</i>					
	430,000	American Media, Inc. Bridge Term Loan 10.80% 09/30/2019	424,765	430,000	
		Total Communications	0.17%	<u>424,765</u>	<u>430,000</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Consumer Discretionary</i>			
\$ 231,907	1011778 B.C. Unlimited Liability Company Term Loan B3 4.77% 02/16/2024	\$ 232,588	\$ 220,408
234,790	Academy, Ltd. 2015 Term Loan B 6.35% 07/01/2022	213,175	156,136
500,000	Albertsons, LLC Term Loan B7 5.52% 11/17/2025	486,347	470,625
197,589	Almonde, Inc. USD 1st Lien Term Loan 6.30% 06/13/2024	198,439	183,758
217,240	American Axle & Manufacturing, Inc. Term Loan B 4.76% 04/06/2024	218,417	205,564
524,000	American Builders & Contractors Supply Co., Inc. 2018 Term Loan B 4.52% 10/31/2023	523,604	497,426
215,859	Aristocrat Technologies, Inc. 2018 1st Lien Term Loan 4.22% 10/19/2024	216,706	205,929
197,500	Bass Pro Group LLC Term Loan B 7.52% 09/25/2024	196,528	188,613
228,123	Boyd Gaming Corporation Term Loan B3 4.67% 09/15/2023	229,651	217,382
476,070	Caesars Resort Collection, LLC 2017 1st Lien Term Loan B 5.27% 12/22/2024	477,162	454,647
208,809	CBS Radio, Inc. 2017 Term Loan B 5.26% 11/18/2024	209,343	195,758
227,842	CEC Entertainment, Inc. Term Loan B 5.77% 02/14/2021	219,773	210,640
211,433	Flex Acquisition Company, Inc. 1st Lien Term Loan 5.35% 12/29/2023	213,319	198,483
326,917	Four Seasons Hotels Limited New 1st Lien Term Loan 4.52% 11/30/2023	329,030	311,593
307,927	Golden Nugget, Inc. 2017 Incremental Term Loan B 5.23% 10/04/2023	309,976	292,993
207,900	Intrawest Resorts Holdings, Inc. Term Loan B1 5.51% 07/31/2024	209,771	199,757
76,784	Leslie's Poolmart, Inc. 2016 Term Loan 6.02% 08/16/2023	77,215	73,201
457,721	Meredith Corporation 2018 Term Loan B 5.27% 01/31/2025	456,583	443,074
325,324	MGM Growth Properties Operating Partnership LP 2016 Term Loan B 4.52% 03/21/2025	326,522	310,278
207,788	Michaels Stores, Inc. 2018 Term Loan B 5.01% 01/30/2023	207,788	198,178
469,916	Party City Holdings, Inc. 2018 Term Loan B 3.25% 08/19/2022	469,479	454,409
48,918	Petco Animal Supplies, Inc. 2017 Term Loan B 5.78% 01/26/2023	49,139	35,710
680,381	PetSmart, Inc. Term Loan B2 5.38% 03/11/2022	619,520	535,460
326,979	Scientific Games International, Inc. 2018 Term Loan B5 5.27% 08/14/2024	327,352	306,216
90,760	ServiceMaster Company 2016 Term Loan B 5.02% 11/08/2023	91,262	88,605
365,190	Trans Union, LLC Term Loan B3 4.52% 04/10/2023	365,342	350,947
600,000	Travelport Finance (Luxembourg) S.a.r.l. 2018 Term Loan B 2.50% 03/17/2025	593,212	588,214
330,000	Unitymedia Finance LLC Term Loan B 4.71% 09/30/2025	330,774	317,728
205,009	Univision Communications, Inc. Term Loan C5 5.27% 03/15/2024	204,827	184,610
325,495	Virgin Media Bristol LLC USD Term Loan K 4.96% 01/15/2026	326,056	307,918
108,615	Vistra Operations Company LLC 2016 Term Loan B2 4.77% 12/14/2023	109,428	104,587
66,528	Wink Holdco, Inc 1st Lien Term Loan B 5.52% 12/02/2024	67,111	62,814
329,175	Wyndham Hotels & Resorts, Inc. Term Loan B 4.27% 05/30/2025	329,670	315,597
	Total Consumer Discretionary	3.55% <u>9,435,109</u>	<u>8,887,258</u>
<i>Consumer Staples</i>			
255,460	Albertsons, LLC Term Loan B7 5.22% 11/17/2025	257,414	242,942
225,605	Dole Food Company Inc. 2017 Term Loan B 5.71% 04/06/2024	225,704	216,393
197,278	Post Holdings, Inc. 2017 Series A Incremental Term Loan 4.51% 05/24/2024	198,027	190,127
	Total Consumer Staples	0.26% <u>681,145</u>	<u>649,462</u>
<i>Energy</i>			
155,752	Jaguar Holding Company II 2018 Term Loan 5.02% 08/18/2022	156,031	147,488
88,361	Murray Energy Corporation 2018 Term Loan B2 9.78% 10/17/2022	85,603	73,561
	Total Energy	0.09% <u>241,634</u>	<u>221,049</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
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Principal Amount†		Cost	Fair Value
<i>Financial</i>			
\$ 233,031	Lions Gate Capital Holdings LLC 2018 Term Loan B 4.77% 03/24/2025	\$ 233,702	\$ 223,321
	Total Financial	0.09% <u>233,702</u>	<u>223,321</u>
<i>Financials</i>			
184,775	Ancestry.com Operations, Inc. 2017 1st Lien Term Loan 5.78% 10/19/2023	186,216	175,767
227,688	CityCenter Holdings, LLC 2017 Term Loan B 4.77% 04/18/2024	228,959	215,166
195,510	Communications Sales & Leasing, Inc. 2017 Term Loan B 5.52% 10/24/2022	196,338	175,144
228,275	Iron Mountain, Inc. 2018 Term Loan B 4.27% 01/02/2026	227,750	215,149
11,521	MA FinanceCo. LLC USD Term Loan B3 5.02% 06/21/2024	11,498	10,715
158,447	Realogy Group LLC 2018 Term Loan B 4.71% 02/08/2025	159,712	149,336
117,661	RPI Finance Trust Term Loan B6 4.52% 03/27/2023	118,476	113,641
	Total Financials	0.42% <u>1,128,949</u>	<u>1,054,918</u>
<i>Healthcare</i>			
138,000	Air Methods Corporation 2017 Term Loan B 6.30% 04/21/2024	138,622	108,527
177,750	Albany Molecular Research, Inc. 2017 1st Lien Term Loan 5.77% 08/30/2024	179,607	167,640
144,286	Catalent Pharma Solutions Inc. USD Term Loan B 4.77% 05/20/2024	144,930	139,717
468,693	Change Healthcare Holdings LLC 2017 Term Loan B 5.27% 03/01/2024	467,679	444,282
227,168	Global Medical Response, Inc. 2018 Term Loan B1 5.68% 04/28/2022	227,068	210,455
169,277	MPH Acquisition Holdings LLC 2016 Term Loan B 5.55% 06/07/2023	170,661	159,036
207,375	Parexel International Corporation Term Loan B 5.27% 09/27/2024	208,503	186,897
326,714	Quikrete Holdings, Inc. 2016 1st Lien Term Loan 5.27% 11/15/2023	328,250	310,378
129,091	RadNet, Inc. Reprice Term Loan 6.19% 06/30/2023	128,834	127,155
235,000	VICI Properties 1 LLC Replacement Term Loan B 4.50% 12/20/2024	236,116	224,601
	Total Healthcare	0.83% <u>2,230,270</u>	<u>2,078,688</u>
<i>Industrials</i>			
49,356	Advantage Sales & Marketing, Inc. 2014 1st Lien Term Loan 5.77% 07/23/2021	47,765	43,371
153,280	Air Canada 2018 Term Loan B 4.52% 10/06/2023	154,017	150,789
205,800	American Airlines, Inc. 2017 Incremental Term Loan 4.46% 12/14/2023	205,800	195,285
205,186	Aramark Services, Inc. 2018 Term Loan B3 4.27% 03/11/2025	206,678	198,432
303,348	Avolon TLB Borrower 1 (US) LLC Term Loan B3 4.47% 01/15/2025	302,400	291,421
332,488	Beacon Roofing Supply, Inc. 2017 Term Loan B 4.68% 01/02/2025	333,766	315,378
228,502	Generac Power Systems, Inc. 2018 1st Lien Term Loan 4.10% 05/31/2023	229,493	218,791
228,586	NCI Building Systems Inc 2018 Term Loan 6.18% 04/12/2025	230,667	208,013
226,281	Prime Security Services Borrower LLC 2016 1st Lien Term Loan 3.75% 05/02/2022	227,703	216,381
333,853	Reynolds Group Holdings, Inc. USD 2017 Term Loan 5.27% 02/05/2023	335,190	317,661
	Total Industrials	0.86% <u>2,273,479</u>	<u>2,155,522</u>
<i>Information Technology</i>			
226,687	CWGS Group LLC 2016 Term Loan 5.27% 11/08/2023	226,759	203,876
207,900	Dell Inc. 2017 Term Loan B 4.53% 09/07/2023	208,121	199,122
529,210	First Data Corporation 2024 USD Term Loan 4.50% 04/26/2024	530,045	504,514
575,408	IRB Holding Corp 1st Lien Term Loan 5.68% 02/05/2025	576,605	547,597
228,244	Micron Technology Inc Term Loan 4.28% 04/26/2022	230,165	223,679
228,270	Ring Container Technologies Group, LLC 1st Lien Term Loan 5.27% 10/31/2024	229,044	216,857
228,275	Verra Mobility Corporation 2018 1st Lien Term Loan 6.27% 02/28/2025	230,359	221,427
172,728	Western Digital Corporation 2018 Term Loan B4 4.26% 04/29/2023	173,266	164,380
	Total Information Technology	0.91% <u>2,404,364</u>	<u>2,281,452</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Materials</i>			
\$ 313,328	Berry Global, Inc. Term Loan Q 4.39% 10/01/2022	\$ 314,904	\$ 304,124
227,815	BWAY Holding Company 2017 Term Loan B 5.66% 04/03/2024	228,722	214,004
190,480	PQ Corporation 2018 Term Loan B 5.03% 02/08/2025	191,343	180,004
	Total Materials	0.28% <u>734,969</u>	<u>698,132</u>
<i>Technology</i>			
77,804	Seattle Spinco, Inc. USD Term Loan B3 5.02% 06/21/2024	77,647	72,358
	Total Technology	0.03% <u>77,647</u>	<u>72,358</u>
<i>Telecommunication Services</i>			
230,000	Level 3 Financing, Inc. 2017 Term Loan B 4.75% 02/22/2024	229,809	216,775
	Total Telecommunication Services	0.09% <u>229,809</u>	<u>216,775</u>
<i>Utilities</i>			
444,862	UFC Holdings LLC 1st Lien Term Loan 5.78% 08/18/2023	445,347	433,105
	Total Utilities	0.17% <u>445,347</u>	<u>433,105</u>
	Total Floating Rate Loans	7.75% <u>20,541,189</u>	<u>19,402,040</u>
<i>Foreign Government</i>			
<i>Argentina</i>			
ARS 22,980,000	Argentina POM Politica Monetaria 59.26% 06/21/2020	1,138,276	671,216
510,000	Argentine Government International Bond Sr Unsecured 4.63% 01/11/2023	421,770	402,900
2,100,000	Argentine Government International Bond Sr Unsecured 5.63% 01/26/2022	1,893,563	1,771,875
550,000	Argentine Government International Bond Sr Unsecured 7.50% 04/22/2026	477,597	440,687
ARS 1,940,000	Bonos de la Nacion Argentina con Ajuste por CER 4.00% 03/06/2020	97,893	64,907
2,430,000	Provincia de Buenos Aires Sr Unsecured 144A 6.50% 02/15/2023	2,051,654	1,956,150
150,000	Provincia de Buenos Aires Sr Unsecured 144A 7.88% 06/15/2027	116,413	108,002
150,000	Provincia de Buenos Aires Sr Unsecured 144A 9.13% 03/16/2024	129,647	124,125
200,000	Provincia de Buenos Aires Sr Unsecured REGS 9.95% 06/09/2021	193,806	188,000
	Total Argentina	2.29% <u>6,520,619</u>	<u>5,727,862</u>
<i>Brazil</i>			
BRL 9,583,000	Brazil Notas do Tesouro Nacional 10.00% 01/01/2021	2,610,936	2,586,298
BRL 4,295,000	Brazil Notas do Tesouro Nacional 10.00% 01/01/2027	1,163,815	1,159,366
1,070,000	Brazilian Government International Bond Sr Unsecured 5.00% 01/27/2045	903,344	934,656
	Total Brazil	1.87% <u>4,678,095</u>	<u>4,680,320</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Canada</i>			
CAD \$	12,680,000 Canadian Government Bond 1.75% 05/01/2020	\$ 9,629,818	\$ 9,278,078
	Total Canada	3.70% <u>9,629,818</u>	<u>9,278,078</u>
<i>Ecuador</i>			
	270,000 Ecuador Government International Bond Sr Unsecured 144A 8.75% 06/02/2023	257,265	251,775
	800,000 Ecuador Government International Bond Sr Unsecured 144A 9.63% 06/02/2027	740,124	724,000
	200,000 Ecuador Government International Bond Sr Unsecured REGS 10.75% 03/28/2022	209,184	201,750
	200,000 Ecuador Government International Bond Sr Unsecured REGS 10.75% 03/28/2022	200,000	201,750
	Total Ecuador	0.55% <u>1,406,573</u>	<u>1,379,275</u>
<i>Egypt</i>			
EGP	10,150,000 Egypt Treasury Bills 0.00% 06/04/2019	526,043	523,631
EGP	14,175,000 Egypt Treasury Bills 0.01% 02/05/2019	783,627	779,162
	Total Egypt	0.52% <u>1,309,670</u>	<u>1,302,793</u>
<i>Ghana</i>			
	500,000 Ghana Government International Bond Sr Unsecured 144A 7.63% 05/16/2029	484,578	447,860
	700,000 Ghana Government International Bond Sr Unsecured REGS 8.13% 01/18/2026	696,247	667,632
	210,000 Ghana Government International Bond Sr Unsecured REGS 8.13% 01/18/2026	215,014	200,290
	Total Ghana	0.53% <u>1,395,839</u>	<u>1,315,782</u>
<i>Honduras</i>			
\$	610,000 Honduras Government International Bond Sr Unsecured REGS 6.25% 01/19/2027	\$ 618,402	\$ 602,436
	Total Honduras	0.24% <u>618,402</u>	<u>602,436</u>
<i>Indonesia</i>			
	3,980,000 Indonesia Government International Bond Sr Unsecured REGS 5.25% 01/17/2042	3,995,477	3,994,579
IDR	1,000,000,000 Indonesia Treasury Bond Sr Unsecured 7.00% 05/15/2022	74,479	67,656
IDR	85,623,000,000 Indonesia Treasury Bond Sr Unsecured 7.00% 05/15/2027	5,831,008	5,573,236
IDR	10,940,000,000 Indonesia Treasury Bond Sr Unsecured 8.38% 09/15/2026	911,055	773,513
IDR	342,000,000 Indonesia Treasury Bond Sr Unsecured 8.38% 03/15/2034	28,323	23,949
	Total Indonesia	4.16% <u>10,840,342</u>	<u>10,432,933</u>
<i>Jamaica</i>			
	660,000 Jamaica Government International Bond Sr Unsecured 6.75% 04/28/2028	708,496	703,725
	Total Jamaica	0.28% <u>708,496</u>	<u>703,725</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>Kazakhstan</i>			
\$ 360,000	Kazakhstan Government International Bond Sr Unsecured MTN, REGS 5.13% 07/21/2025	\$ 381,958	\$ 380,565
410,000	Kazakhstan Government International Bond Sr Unsecured REGS 5.13% 07/21/2025	408,895	433,421
	Total Kazakhstan	0.32% <u>790,853</u>	<u>813,986</u>
<i>Kuwait</i>			
920,000	Kuwait International Government Bond Sr Unsecured 144A 3.50% 03/20/2027	911,425	914,797
	Total Kuwait	0.37% <u>911,425</u>	<u>914,797</u>
<i>Mexico</i>			
240,000	Mexico Government International Bond Sr Unsecured 3.60% 01/30/2025	243,091	228,960
2,760,000	Mexico Government International Bond Sr Unsecured MTN 4.75% 03/08/2044	2,557,254	2,508,840
	Total Mexico	1.09% <u>2,800,345</u>	<u>2,737,800</u>
<i>Qatar</i>			
840,000	Qatar Government International Bond Sr Unsecured 144A 5.10% 04/23/2048	881,254	882,210
	Total Qatar	0.35% <u>881,254</u>	<u>882,210</u>
<i>Russia</i>			
RUB 398,848,000	Russian Federal Bond- OFZ 7.05% 01/19/2028	5,923,614	\$ 5,206,347
	Total Russia	2.08% <u>5,923,614</u>	<u>5,206,347</u>
<i>Senegal</i>			
1,190,000	Senegal Government International Bond Sr Unsecured 144A 6.75% 03/13/2048	1,024,168	984,130
700,000	Senegal Government International Bond Unsecured 144A 6.25% 05/23/2033	615,505	601,790
	Total Senegal	0.63% <u>1,639,673</u>	<u>1,585,920</u>
<i>United Arab Emirates</i>			
960,000	Abu Dhabi Government International Bond Sr Unsecured 144A 4.13% 10/11/2047	910,162	919,200
	Total United Arab Emirates	0.37% <u>910,162</u>	<u>919,200</u>
	Total Foreign Government	19.35% <u>50,965,180</u>	<u>48,483,464</u>

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<u>Asset-backed Securities</u>			
\$ 500,000	Aegis Asset Backed Securities Trust Series 2005-5, Class M1 2.94% 12/25/2035	\$ 488,877	\$ 483,462
850,000	American Tower Trust #1 Series 13, Class 2A, 144A 3.07% 03/15/2048	828,269	837,113
293,836	Argent Securities, Inc. Series 2003-W6, Class AV1 3.37% 01/25/2034	253,062	291,642
471,889	Bear Stearns Asset-Backed Securities Trust Series 2002-1, Class 2A 3.15% 12/25/2034	450,044	461,461
170,450	CWHEQ Revolving Home Equity Loan Trust Series 2007-A, Class A 2.58% 04/15/2037	151,999	162,375
410,000	Ellington Loan Acquisition Trust Series 2007-2, Class A2C, 144A 3.61% 05/25/2037	412,139	412,546
172,810	First Franklin Mortgage Loan Trust Series 2004-FF7, Class M1 3.38% 09/25/2034	167,531	172,527
400,317	GSAMP Trust Series 2003-HE2, Class A3C 3.55% 08/25/2033	385,473	396,422
800,000	Hertz Vehicle Financing II L.P. Series 2018-1A, Class A, 144A 3.29% 02/25/2024	776,118	793,313
1,629,507	Legacy Mortgage Asset Trust Series 2018-GS2, Class A1, 144A 4.00% 04/25/2058	1,626,148	1,615,676
210,610	Merrill Lynch Mortgage Investors Trust Series 2004-OPT1, Class A1A 3.03% 06/25/2035	209,983	209,927
880,000	Merrill Lynch Mortgage Investors Trust Series 2006-FF1, Class M5 2.90% 08/25/2036	831,019	865,489
990,110	Mosaic Solar Loan Trust Series 2018-2GS, Class A, 144A 4.20% 02/22/2044	989,953	986,361
750,000	New Century Home Equity Loan Trust Series 2005-4, Class M4 3.14% 09/25/2035	530,027	723,654
134,649	Option One Mortgage Loan Trust Series 2002-3, Class A2 3.05% 08/25/2032	125,587	132,032
41,140	Panhandle-Plains Higher Education Authority, Inc. Series 2011-1, Class A2 3.75% 07/01/2024	41,204	41,184
141,685	SBA Small Business Investment Cos. Series 2017-10A, Class 1 2.85% 03/10/2027	141,685	139,688
266,461	SLM Private Credit Student Loan Trust Series 2005-B, Class A4 3.12% 06/15/2039	241,538	261,793
600,000	SLM Private Credit Student Loan Trust Series 2007-A, Class A4A 3.03% 12/16/2041	542,911	584,546
113,251	Structured Asset Investment Loan Trust Series 2004-8, Class M1 3.41% 09/25/2034	109,164	112,610
474,002	Structured Asset Investment Loan Trust Series 2005-HE3, Class M1 3.23% 09/25/2035	444,340	471,926
900,000	SUNNOVA HELIOS II ISSUER LLC Series 2018-1A, Class A, 144A 4.87% 07/20/2048	905,934	918,773
	Total Asset-backed Securities	4.42% 10,653,005	11,074,520
<u>Mortgage-backed Securities</u>			
1,350,000	BX Trust Series 2018-MCSF, Class A, 144A 2.98% 04/15/2035	1,324,747	1,323,891
980,000	Cold Storage Trust Series 2017-ICE3, Class A, 144A 3.46% 04/15/2036	975,111	962,478
910,000	COMM Mortgage Trust Series 2014-CR19, Class C 4.71% 08/10/2047	929,442	922,641
280,000	COMM Mortgage Trust Series 2014-UBS6, Class C 4.47% 12/10/2047	274,292	272,811
1,000,000	CSAIL Commercial Mortgage Trust Series 2015-C4, Class C 4.58% 11/15/2048	999,731	1,009,480
430,000	GS Mortgage Securities Trust Series 2016-GS3, Class C 4.00% 10/10/2049	426,456	422,164
400,000	JP Morgan Chase Commercial Mortgage Securities Trust Series 2016-JP3, Class C 3.48% 08/15/2049	389,614	364,809
317,669	LB-UBS Commercial Mortgage Trust Series 2006-C6, Class AJ 5.45% 09/15/2039	277,436	219,216
410,000	Morgan Stanley Bank of America Merrill Lynch Trust Series 2016-C32, Class C 4.29% 12/15/2049	398,612	400,992
1,010,000	Rosslyn Portfolio Trust Series 2017-ROSS, Class A, 144A 3.41% 06/15/2033	1,006,223	1,005,792
908,861	Tharaldson Hotel Portfolio Trust Series 2018-THL, Class D, 144A 4.38% 11/11/2034	915,512	894,673
1,900,000	Wells Fargo Commercial Mortgage Trust Series 2014-LC16, Class C 4.46% 08/15/2050	1,884,730	1,873,550
400,000	WFRBS Commercial Mortgage Trust Series 2014-C20, Class C 4.51% 05/15/2047	399,942	384,985
900,000	WFRBS Commercial Mortgage Trust Series 2014-C22, Class C 3.76% 09/15/2057	867,561	852,754
	Total Mortgage-backed Securities	4.35% 11,069,409	10,910,236

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Principal Amount†		Cost	Fair Value
<i>U.S. Government & Agency Obligations</i>			
\$ 1,000,000	United States Treasury Bond 2.75% 11/15/2047	\$ 933,826	\$ 946,211
1,760,000	United States Treasury Bond 3.13% 05/15/2048	1,786,989	1,793,412
19,730,000	United States Treasury Note 1.25% 03/31/2019	19,674,055	19,673,672
5,130,000	United States Treasury Note 1.25% 08/31/2019	5,085,299	5,083,710
2,180,000	United States Treasury Note 2.25% 11/15/2027	2,058,653	2,105,829
	Total U.S. Government & Agency Obligations	11.82% <u>29,538,822</u>	<u>29,602,834</u>
Contracts			
		Cost	Fair Value
<i>Call Options Purchased</i>			
990,000	Australian Dollar Futures, Call @ \$0.72 Merrill Lynch International 0.72% 01/08/2019	10,405	23,599
3,620,000	Euro Currency Futures, Call @ \$1.14 Merrill Lynch International 1.14% 02/07/2019	30,654	24,225
1,780,000	Euro Currency Futures, Call @ \$1.15 Merrill Lynch International 1.15% 01/11/2019	15,778	10,982
	Total Call Options Purchased	0.02% <u>56,837</u>	<u>58,806</u>
<i>Put Options Purchased</i>			
33	E-mini S&P 500 Index Futures, Put @ \$2,300.00 Merrill Lynch International 2300.00% 02/15/2019	81,044	41,663
12	E-mini S&P 500 Index Futures, Put @ \$2,300.00 Merrill Lynch International 2300.00% 01/18/2019	15,025	5,850
73	E-mini S&P 500 Index Futures, Put @ \$2,400.00 Merrill Lynch International 2400.00% 01/18/2019	73,478	84,863
16	E-mini S&P 500 Index Futures, Put @ \$2,450.00 Merrill Lynch International 2450.00% 01/18/2019	19,434	28,000
7,230,000	Interest rate swaption with Bank of America N.A., Put @ 3.15% Bank of America N.A. 3.15% 02/02/2023	370,899	280,763
1,400,000	U.S. Dollar/British Pound, Put @ 1.32 GBP Merrill Lynch International 1.32% 01/28/2019	14,238	4,704
1,680,000	U.S. Dollar/Mexican Peso, Put @ 20.00 MXN Merrill Lynch International 20.00% 01/31/2019	27,149	37,561
42	United States Treasury 10-Year Notes Futures, Put @ \$121.00 Merrill Lynch International 121.00% 01/25/2019	13,854	7,219
15	United States Treasury 5-Year Notes Futures, Put @ \$112.00 Merrill Lynch International 112.00% 01/25/2019	2,487	117
41	United States Treasury 5-Year Notes Futures, Put @ \$113.00 Merrill Lynch International 113.00% 01/25/2019	5,837	961
	Total Put Options Purchased	0.20% <u>623,445</u>	<u>491,701</u>
	Total Investments	99.99% <u>\$ 258,885,851</u>	<u>\$ 250,523,094</u>

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

Abbreviations used in this table:

ARS - Argentine Peso
BRL - Brazilian Real
CAD - Canadian Dollar
EGP - Egyptian Pound
EUR - Euro
GBP - British Pound
IDR - Indonesian Rupiah
RUB - Russian Ruble

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2018

Schedule of Written Options

Security	Expiration Date	Strike Price	Contracts	Value
E-mini S&P 500 Index Futures, Put	2/15/2019	2,100.00	33	\$ 12,788
U.S. Dollar/Euro, Call	1/11/2019	1.13	2,000,000	1120
U.S. Dollar/Euro, Call	2/7/2019	1.12	3,620,000	8,069
U.S. Dollar/Mexico Peso, Call	1/31/2019	21.50	1,680,000	2061
United States Treasury 5-Year Notes Futures, Call	1/25/2019	114.25	41	24,344
Total Written Options (Premiums received - \$96,312)				\$ 48,382

Hand Composite Employee Benefit Trust
Statement of Operations – Selected Fund
Year Ended December 31, 2018

	Western Asset Income CIF
Income	
Interest (net of foreign withholding taxes of \$70,652)	\$ 7,477,521
Dividends	96,759
Total income	7,574,280
Expenses	
Trustee and administrative	292,257
Class R1 expenses	49,791
Class R3 expenses	511,900
Total expenses before reimbursement	853,948
Reimbursement of fees	(85,332)
Net expenses	768,616
Net Investment Income	6,805,664
Net Realized Gains (Losses) on Investments, Written Options, Futures Contracts, Swap Contracts and Foreign Currency	
Net realized losses on investments	(3,571,880)
Net realized gains on written options	260,332
Net realized losses on futures contracts	(686,909)
Net realized gains on swap contracts	873,704
Net realized losses on foreign currency transactions	(101,574)
Net realized losses on foreign currency forward exchange contracts	(379,964)
Net realized losses	(3,606,291)
Change in Net Unrealized Appreciation (Depreciation)	
Investments	(9,473,426)
Written options	(36,234)
Futures contracts	347,845
Swap contracts	(673,124)
Foreign currencies	(673)
Foreign currency forward exchange contracts	748,137
Change in net unrealized appreciation (depreciation)	(9,087,475)
Net realized and unrealized losses on investments, written options, futures contracts, swap contracts and foreign currency	(12,693,766)
Net Decrease in Net Assets Resulting From Operations	\$ (5,888,102)

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

	Western Asset Income CIF
Operations	
Net investment income	\$ 6,805,664
Net realized losses	(3,606,291)
Change in net unrealized appreciation (depreciation)	(9,087,475)
Net decrease in net assets from operations	(5,888,102)
Net Increase in Net Assets From Participant Unit Transactions	162,083,164
Increase in Net Assets	156,195,062
Net Assets	
Beginning of year	93,771,224
End of year	\$ 249,966,286

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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

Nature of Operations

Hand Composite Employee Benefit Trust ("HB&T" or "the Trust") was created in order to provide broad and uniform diversification programs for pension and profit sharing plans which, having complied with the requirements of the Internal Revenue Code (the IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 92 portfolios (the Funds); the financial statements of one of those funds, the Western Asset Income 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.

During 2018, the Fund changed its name from the Western Asset Global Strategic Fixed Income Fund to the Western Asset Income CIF.

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 year. 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 year 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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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.

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, 2018, 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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2018

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 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

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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.

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, 2018, the total notional value of all credit default swaps to sell protection was \$10,720,000. 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 average notional amounts of swaps held during the year ended December 31, 2018, see Note 11.

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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 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.

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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.

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.

Total Return Swaps

The Fund enters into total return swaps for investment purposes. Total return swaps are agreements to exchange the return generated by one instrument for the return generated by another instrument. For example, the agreement to pay a predetermined or fixed interest rate in exchange for a market-linked return based on a notional amount. To the extent the total return of a referenced index or instrument exceeds the offsetting interest obligation, the Fund will receive a payment from the counterparty. To the extent it is less, the Fund will make a payment 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

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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 premiums paid.

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 24, 2019, 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.

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Note 2: Futures Contracts

At December 31, 2018, the Fund had the following open futures contracts:

	Number of Contracts	Expiration Date	Basis Value	Market Value	Unrealized Appreciation (Depreciation)
Contracts to buy:					
10-Year Ultra U.S. Treasury Notes	3	3/19	\$ 377,800	\$ 390,234	\$ 12,434
90-Day Eurodollar	42	12/19	10,210,563	10,221,750	11,187
90-Day Eurodollar	93	6/20	22,637,530	\$ 22,669,913	32,383
Euro-BTP	7	3/19	956,859	1,025,148	68,289
U.S. Treasury 10-Year Notes	216	3/19	25,711,405	26,355,375	643,970
U.S. Treasury Ultra Long-Term Bonds	39	3/19	6,088,318	6,265,594	177,276
					<u>945,539</u>
Contracts to sell:					
Euro-Bund	164	3/19	30,307,568	30,729,647	(422,079)
Euro-Buxl	1	3/19	204,056	206,945	(2,889)
U.S. Treasury 2-Year Notes	13	3/19	2,746,306	2,760,063	(13,757)
U.S. Treasury 5-Year Notes	15	3/19	1,690,823	1,720,313	(29,490)
U.S. Treasury Long-Term Bonds	36	3/19	5,131,000	5,256,000	(125,000)
					<u>(593,215)</u>
Net unrealized appreciation on open futures contracts					<u>\$ 352,324</u>

Note 3: Foreign Currency Forward Exchange Contracts

At December 31, 2018, the Fund had the following open forward foreign currency contracts:

	Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
AUD	\$ 641,670	USD \$ 463,106	Citibank, N.A.	01/10/19	\$ (11,075)
EUR	445,000	USD 519,048	JPMorgan Chase Bank, N.A.	01/15/19	(8,682)
USD	625,653	EUR 550,000	JPMorgan Chase Bank, N.A.	01/15/19	(5,136)
COP	535,507,500	USD 172,739	Barclays Bank PLC	01/18/19	(7,968)
COP	225,890,000	USD 72,868	Barclays Bank PLC	01/18/19	(3,363)
IDR	19,619,730,090	USD 1,288,398	Barclays Bank PLC	01/18/19	73,926
INR	85,780,886	USD 1,150,911	Barclays Bank PLC	01/18/19	75,714
PLN	1,575,560	USD 424,096	Barclays Bank PLC	01/18/19	(2,990)
TWD	374,700	USD 12,153	Barclays Bank PLC	01/18/19	53

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Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
USD	\$ 64,092	BRL	\$ 242,720	Barclays Bank PLC	01/18/19	\$ 1,531
USD	978,406	BRL	3,670,000	Barclays Bank PLC	01/18/19	32,462
USD	426,625	CZK	9,650,000	Barclays Bank PLC	01/18/19	(3,193)
USD	410,230	PHP	22,520,000	Barclays Bank PLC	01/18/19	(17,417)
AUD	590,000	USD	422,802	Citibank, N.A.	01/18/19	(7,105)
CZK	9,649,859	USD	435,575	Citibank, N.A.	01/18/19	(5,763)
EUR	5,000	USD	5,835	Citibank, N.A.	01/18/19	(99)
EUR	550,000	USD	625,733	Citibank, N.A.	01/18/19	5,214
IDR	4,226,240,000	USD	272,362	Citibank, N.A.	01/18/19	21,093
JPY	209,993,631	USD	1,887,682	Citibank, N.A.	01/18/19	29,921
JPY	30,760,000	USD	274,910	Citibank, N.A.	01/18/19	5,981
MXN	15,588,111	USD	817,223	Citibank, N.A.	01/18/19	(25,706)
MXN	3,000,000	USD	157,264	Citibank, N.A.	01/18/19	(4,933)
MXN	6,570,940	USD	319,795	Citibank, N.A.	01/18/19	13,857
USD	914,300	AUD	1,240,000	Citibank, N.A.	01/18/19	40,631
USD	9,287,135	CAD	12,037,521	Citibank, N.A.	01/18/19	466,040
USD	1,154,073	EUR	990,000	Citibank, N.A.	01/18/19	18,368
USD	57,138	EUR	50,000	Citibank, N.A.	01/18/19	(221)
USD	91,472	EUR	80,000	Citibank, N.A.	01/18/19	(302)
USD	1,294,287	EUR	1,120,000	Citibank, N.A.	01/18/19	9,449
USD	229,554	EUR	200,000	Citibank, N.A.	01/18/19	119
USD	56,873	EUR	50,000	Citibank, N.A.	01/18/19	(485)
USD	136,927	EUR	120,000	Citibank, N.A.	01/18/19	(734)
USD	103,129	EUR	90,000	Citibank, N.A.	01/18/19	(117)
USD	642,996	EUR	560,000	Citibank, N.A.	01/18/19	577
USD	805,970	GBP	607,102	Citibank, N.A.	01/18/19	31,585
USD	1,128,112	IDR	16,476,080,000	Citibank, N.A.	01/18/19	(15,928)
USD	741,008	JPY	83,948,000	Citibank, N.A.	01/18/19	(25,582)
USD	611,282	MXN	12,310,000	Citibank, N.A.	01/18/19	(13,782)
USD	420,079	PLN	1,580,000	Citibank, N.A.	01/18/19	(2,215)
USD	1,295,109	RUB	85,508,250	Citibank, N.A.	01/18/19	69,389
USD	13,155	TRY	84,680	Citibank, N.A.	01/18/19	(2,704)
USD	301	ZAR	4,514	Citibank, N.A.	01/18/19	(12)
AUD	560,658	USD	398,160	Goldman Sachs International	01/18/19	(3,136)
EUR	1,040,000	USD	1,177,077	Goldman Sachs International	01/18/19	15,986
IDR	8,445,510,000	USD	575,111	Goldman Sachs International	01/18/19	11,315
MXN	14,877,500	USD	723,631	Goldman Sachs International	01/18/19	31,803
USD	448,193	EUR	390,000	Goldman Sachs International	01/18/19	794
CAD	1,660,000	USD	1,217,868	JPMorgan Chase Bank, N.A.	01/18/19	(1,420)
IDR	11,751,765,000	USD	801,512	JPMorgan Chase Bank, N.A.	01/18/19	14,489
NZD	139,534	USD	92,013	JPMorgan Chase Bank, N.A.	01/18/19	1,667
USD	1,128,915	CAD	1,492,957	JPMorgan Chase Bank, N.A.	01/18/19	34,876
USD	260,836	COP	833,240,000	JPMorgan Chase Bank, N.A.	01/18/19	4,455

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Currency Purchased		Currency Sold		Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
USD	\$ 1,957,483	EUR	\$ 1,674,061	JPMorgan Chase Bank, N.A.	01/18/19	\$ 37,038
ARS	5,281,000	USD	161,301	Citibank, N.A.	01/28/19	(25,850)
USD	1,040,000	MXN	21,448,440	Citibank, N.A.	02/05/19	(45,925)
USD	1,163,699	EUR	1,026,000	Citibank, N.A.	02/11/19	(15,668)
EUR	920,000	USD	1,065,843	JPMorgan Chase Bank, N.A.	02/11/19	(8,320)
USD	589,380	GBP	460,000	Bank of America, N.A.	02/12/19	1,909
USD	885,090	EUR	770,950	Citibank, N.A.	02/12/19	(1,177)
USD	381,856	ARS	15,511,000	Barclays Bank PLC	02/15/19	(6,870)
USD	340,058	ARS	13,831,000	Citibank, N.A.	02/15/19	(6,565)
USD	164,362	PHP	8,946,200	Deutsche Bank AG	02/15/19	(5,100)
USD	164,120	PHP	8,946,200	Deutsche Bank AG	02/15/19	(5,341)
USD	162,211	PHP	8,856,738	Deutsche Bank AG	02/15/19	(5,555)
USD	331,051	PHP	17,981,862	Deutsche Bank AG	02/15/19	(9,566)
Total						\$ 744,237

Abbreviations used in this table:

ARS	Argentine Peso
AUD	Australian Dollar
BRL	Brazilian Real
CAD	Canadian Dollar
COP	Columbian Peso
CZK	Czech Republic Koruna
EUR	Euro
GBP	British Pound
IDR	Indonesian Rupiah
INR	Indian Rupee
JPY	Japanese Yen
MXN	Mexican Peso
NZD	New Zealand Dollar
PHP	Philippine Peso
PLN	Polish Zloty
RUB	Russian Ruble
TRY	Turkish Lira
TWD	Taiwan Dollar
USD	United States Dollar
ZAR	South African Rand

Note 4: Swap Contracts

At December 31, 2018, the Fund had the following open swap contracts.

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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	\$ 138,090,000	MXN 04/05/21	28-Day MXN TIE-Banxico every 28 days	7.351% every 28 days	\$ (844)	\$ (182,510)
Chicago Mercantile Exchange	1,716,000	GBP 10/26/21	1.271% semi-annually	6-Month LIBOR-quarterly	785	(991)
Chicago Mercantile Exchange	9,868,000	GBP 10/30/21	1.385% semi annually	3-Month LIBOR-quarterly	(3,568)	(11,337)
Chicago Mercantile Exchange	94,600,000	MXN 04/06/22	28-Day MXN TIE-Banxico every 28 days	7.330% every 28 days	(1,900)	(171,285)
Chicago Mercantile Exchange	5,408,000	08/31/22	3-month LIBOR-quarterly	2.850% semi-annually	(10,143)	63,013
Chicago Mercantile Exchange	19,888,000	03/20/24	3-month LIBOR-quarterly	Monthly	627	(627)
Chicago Mercantile Exchange	3,180,000	02/06/33	3-month LIBOR-quarterly	3.150% semi-annually	-	51,652
Chicago Mercantile Exchange	78,200	EUR 08/23/47	1.498% annually	6-Month Euribor Reuters semi-annually	60	(2,594)
Total					<u>\$ (14,983)</u>	<u>\$ (254,679)</u>

Centrally Cleared Credit Default Swaps on Credit Indices - Sell Protection¹

Central Counterparty (Reference Entity)	Notional Amount ²	Termination Date	Periodic Payments Made by the Fund†	Market Value ³	Upfront Premiums Paid	Unrealized Depreciation
Merrill Lynch International (Markit.CDX.NA.IG.31 Index)	\$ 10,720,000	12/20/23	1.000% quarterly	\$ 59,507	\$ 103,885	\$ (44,378)

OTC Credit Default Swaps on Corporate Issues - Buy Protection⁴

Swap Counterparty	Notional Amount*	Termination Date	Periodic Payments Received by the Fund†	Market Value ³	Upfront Premiums Received	Unrealized Appreciation
Deutsche Bank AG	\$ 860,000	06/20/23	1.000% quarterly	\$ (28,293)	\$ (29,323)	\$ 1,030

- (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 had the notional amount of the swap agreement been closed /sold as of the year 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.

† Percentage shown is an annual percentage rate.

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

Abbreviations used in the above table:

EUR Euro
 GBP British Pound
 MXN Mexican Peso

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Note 5: Written Options Rollforward

During the year ended December 31, 2018, written option transactions for the Fund were as follows:

	Number of Contracts/ Notional Amount	Premiums
Written options, outstanding as of December 31, 2018	\$ 590,271	\$ 108,641
Options written	17,490,108	772,269
Options closed	(3,020,702)	(418,919)
Options expired	<u>(7,759,603)</u>	<u>(365,679)</u>
Written options, outstanding as of December 31, 2018	<u>\$ 7,300,074</u>	<u>\$ 96,312</u>

Note 6: Investment Advisory Fees and Other Transactions With Affiliates

The Fund is charged a fee by HB&T for trustee/administrative services and other fees which include fund accounting services, transfer agency services, custody 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.

During the year ended December 31, 2018, 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 Income CIF:				
Class R1	0.04%	0.45%	0.10%	0.59%
Class R3	0.04%	0.40%	0.10%	0.54%

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Note 7: Financial Highlights

	Western Asset Income CIF	
	Class R1	Class R3
Net asset value, beginning of year	\$ 11.26	\$ 11.26
Net investment income	0.52	0.53
Net realized and unrealized losses	(1.07)	(1.07)
Net decrease from investment operations	(0.55)	(0.54)
Net asset value, end of year	\$ 10.71	\$ 10.72
Total return	(4.88)%	(4.80)%
Ratio to average net assets:		
Net investment income	4.78%	4.95%
Expenses without reimbursement	0.72%	0.61%
Expenses with reimbursement	0.65%	0.55%

Note 8: Participant Unit Transactions

	Western Asset Income CIF	
	Units	Dollars
Class R1:		
Proceeds from sales of units	73,665	\$ 800,000
Net change in Class R1 from participant transactions	73,665	800,000
Class R3:		
Proceeds from sales of units	18,502,374	200,368,522
Cost of units redeemed	(3,586,806)	(39,085,358)
Net change in Class R3 from participant transactions	14,915,568	161,283,164
Net increase in net assets from participant transactions		\$ 162,083,164

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.

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Level 1: Quoted prices in active markets for identical assets or liabilities that the Fund can access at the measurement date.

Level 2: Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Following is a description of the valuation methodologies and inputs used for assets and liabilities 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 and liabilities pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2018.

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

Common Stock, Preferred Stock and Exchange Traded Fund. Securities traded on a national securities exchange (or reported on the NASDAQ national market) are valued at the last reported sales price or official closing price as reported by an independent pricing service on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. Certain foreign securities may be fair valued using a pricing service that considers the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments, such as American Depositary Receipts and the movement of certain indexes of securities based on a statistical analysis of the historical relationship and are categorized as either Level 1 or 2 of the hierarchy. For those foreign securities where additional foreign market activities are taken into consideration by the pricing service, those securities are categorized as Level 2 in the hierarchy; however, if the securities trading activity is stagnate for an extended period of time, the securities will be considered a Level 3. For those foreign securities where additional foreign market activities are taken into consideration by the pricing service, those securities are categorized as Level 2 in the hierarchy.

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

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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.

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.

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.

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.

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 Level 2 in 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.

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.

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.

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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.

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 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, 2018:

	Fair Value	Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Western Asset Income CIF				
Financial Instruments - Assets:				
Short Term Investment	\$ 2,821,659	\$ 2,821,659	\$ -	\$ -
Exchange Traded Fund	11,224,562	11,224,562	-	-
Common Stocks	259,971	189,923	70,048	-
Preferred Stock	74,240	-	74,240	-
Collateralized Mortgage Obligations	10,377,357	-	10,377,357	-
Corporate Bonds	105,741,704	-	105,741,704	-
Floating Rate Loans	19,402,040	-	18,043,802	1,358,238
Foreign Government	48,483,464	-	48,483,464	-
Asset-backed Securities	11,074,520	-	11,074,520	-
Mortgage-backed Securities	10,910,236	-	10,910,236	-
U.S. Government and Agency Obligations	29,602,834	-	29,602,834	-
Call Options Purchased	58,806	-	58,806	-
Put Options Purchased	491,701	168,673	323,028	-
Total Financial Instruments - Assets	<u>\$ 250,523,094</u>	<u>\$ 14,404,817</u>	<u>\$ 234,760,039</u>	<u>\$ 1,358,238</u>

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	Fair Value	Markets for Identical Assets (Level 1)	Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Derivative Instruments - Assets:				
Futures Contracts	\$ 945,539	\$ 945,539	\$ -	\$ -
Foreign Currency Exchange Contracts	1,050,242	-	1,050,242	-
Centrally Cleared Interest Rate Swaps	114,665	-	114,665	-
Total	<u>\$ 252,633,540</u>	<u>\$ 15,350,356</u>	<u>\$ 235,924,946</u>	<u>\$ 0</u>
Derivative Instruments - Liabilities:				
Written Options	\$ 48,382	\$ 37,132	\$ 11,250	\$ -
Futures Contracts	593,215	593,215	-	-
Foreign Currency Exchange Contracts	306,005	-	306,005	-
Centrally Cleared Interest Rate Swaps	369,344	-	369,344	-
Centrally Cleared Credit Default Swaps on Credit Indices - Sell Protection	44,378	-	44,378	-
OTC Credit Default Swaps on Corporate Issues - Buy Protection	28,293	-	28,293	-
Total Liabilities	<u>\$ 1,389,617</u>	<u>\$ 630,347</u>	<u>\$ 759,270</u>	<u>\$ 0</u>

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

	Preferred Stock	Floating Rate Loans
Balance as of December 31, 2017	\$ 22,200	\$ 1,067,964
Included in net income:		
Realized loss	(9,241)	(131)
Change in unrealized appreciation/depreciation on securities	9,120	(84,638)
Premium amortization		(3,047)
Sales	(22,079)	(210,088)
Purchases	-	588,178
Balance, December 31, 2018	<u>\$ 0</u>	<u>\$ 1,358,238</u>
Total losses for the year included in net income attributable to the change in unrealized appreciation (depreciation) related to assets and liabilities still held at December 31, 2018	<u>\$ 0</u>	<u>\$ (84,682)</u>

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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

The following table, grouped by derivative type, which provides information about the fair value and the location of derivatives within the statement of assets and liabilities at December 31, 2018.

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	Asset Derivatives⁽¹⁾					
	Interest Rate	Foreign		Equity Risk	Total	
	Risk	Exchange	Risk			
Purchased options ⁽²⁾	\$ 289,060	\$ 101,071	\$ 160,376		\$ 550,507	
Futures contracts ⁽³⁾	945,539	-	-		945,539	
Centrally cleared swap contracts ⁽⁵⁾	114,665	-	-		114,665	
Foreign currency exchange contracts	-	1,050,242	-		1,050,242	
	<u>\$ 1,349,264</u>	<u>\$ 1,151,313</u>	<u>\$ 160,376</u>		<u>\$ 2,660,953</u>	
	Liability Derivatives⁽¹⁾					
	Interest Rate	Foreign		Credit Risk	Equity Risk	Total
	Risk	Exchange	Risk			
Written Options	\$ 24,344	\$ 11,250	-	-	\$ 12,788	\$ 48,382
Futures contracts ⁽³⁾	593,215	-	-	-	-	593,215
OTC swap contracts ⁽⁴⁾	28,293	-	-	-	-	28,293
Centrally cleared swap contracts ⁽⁵⁾	369,344	-	-	44,378	-	413,722
Foreign currency exchange contracts	-	306,005	-	-	-	306,005
	<u>\$ 1,015,196</u>	<u>\$ 317,255</u>	<u>\$ 44,378</u>		<u>\$ 12,788</u>	<u>\$ 1,389,617</u>

- (1) Generally, the statement of assets and liabilities 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) Values include premiums paid (received) on swap contracts which are shown separately in the statement of assets and liabilities.
- (5) 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, 2018. The first table provides additional detail about the amounts and sources of gains (losses) realized on derivatives during the year. The second table provides additional information about the change in unrealized appreciation (depreciation) resulting from the Fund's derivatives and hedging activities during the year.

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Amount of Realized Gain (Loss) on Derivatives Recognized

	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Equity Risk	Total
Purchased options ⁽¹⁾	\$ (117,151)	\$ (188,997)	\$ -	\$ (334,563)	\$ (640,711)
Written options	73,461	100,666	-	86,205	260,332
Futures contracts	(686,909)	-	-	-	(686,909)
Swap contracts	845,970	-	27,734	-	873,704
Foreign currency exchange contracts	-	(379,964)	-	-	(379,964)
Total	\$ 115,371	\$ (468,295)	\$ 27,734	\$ (248,358)	\$ (573,548)

⁽¹⁾ Net realized gain (loss) from purchased options is recorded in net realized gain (loss) from investment transactions in the statement of operations.

Change in Unrealized Appreciation (Depreciation) on Derivatives Recognized

	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Equity Risk	Total
Purchased options ¹	\$ (106,949)	\$ (3,412)	\$ -	\$ 98,037	\$ (12,324)
Written options	(18,649)	40,453	-	(58,038)	(36,234)
Futures contracts	347,845	-	-	-	347,845
Swap contracts	(650,128)	-	(22,996)	-	(673,124)
Foreign currency exchange contracts	-	748,137	-	-	748,137
Total	\$ (427,881)	\$ 785,178	\$ (22,996)	\$ 39,999	\$ 374,300

⁽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, 2018, the volume of derivative activity for the Fund was as follows:

	Average Market Value
Purchased options	\$ 422,867
Written options	53,750
Futures contracts (to buy)	64,302,349
Futures contracts (to sell)	47,331,098
Foreign currency exchange contracts (to buy)	10,568,860
Foreign currency exchange contracts (to sell)	19,385,021

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	Average Notional Balance
Interest rate swap contracts	\$ 60,722,515
Credit default swap contracts (to buy protection)	992,538
Credit default swap contracts (to sell protection)	2,341,538

The following tables present, by financial instrument, the Fund's derivative assets and liabilities net of the related collateral received and pledged by the Fund at December 31, 2018:

	Gross Amount of Derivative Assets in the Statement of Assets and Liabilities⁽¹⁾	Collateral Received	Net Amount
Purchased options ⁽²⁾	\$ 550,507	\$ -	\$ 550,507
Futures contracts ⁽³⁾	353,360	-	353,360
Forward foreign currency contracts	1,050,242	-	1,050,242
Total	\$ 1,954,109	\$ 0	\$ 1,954,109

- (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.

	Gross Amount of Derivative Liabilities in the Statement of Assets and Liabilities⁽¹⁾	Collateral Pledged^(4,5)	Net Amount
Written options	\$ 48,382	\$ -	\$ 48,382
OTC swap contracts	28,293	-	28,293
Centrally cleared swap contracts ⁽³⁾	9,839	(9,839)	-
Foreign currency exchange contracts	306,005	-	306,005
Total	\$ 392,519	\$ (9,839)	\$ 382,680

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- (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, 2018

Purchases	
Investment Class	Cost
Floating Rate Loans	\$ 17,284,590
Collateralized Mortgage Obligations	20,726,025
Common Stocks	229,822
Convertible Bonds	2,052,056
Corporate Bonds	105,847,395
Foreign Government	52,025,986
U.S. Government and Agency Obligations	51,939,382
Exchange-traded Funds	18,381,123
Asset-Backed Securities	7,969,788
Preferred Stocks	80,000
Total Investments Purchased	<u><u>\$ 276,536,167</u></u>

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Floating Rate Loans	\$ 6,957,202	\$ 6,981,840	\$ (24,638)
Collateralized Mortgage Obligations	5,623,385	5,603,923	19,462
Common Stocks	8,849	8,288	561
Convertible Bonds	1,804,816	1,787,018	17,798
Corporate Bonds	29,567,062	29,660,178	(93,116)
Foreign Government	21,728,957	22,503,726	(774,769)
U.S. Government and Agency Obligations	24,337,242	24,463,932	(126,690)
Exchange-traded Funds	10,541,069	10,567,433	(26,364)
Asset-Backed Securities	3,427,108	3,419,279	7,829
Preferred Stocks	133,246	386,846	(253,600)
Total Investments Sold	<u><u>\$ 104,128,936</u></u>	<u><u>\$ 105,382,463</u></u>	<u><u>\$ (1,253,527)</u></u>