

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

Independent Auditor's Report and Financial Statements

December 31, 2019



Hand Composite Employee Benefit Trust

December 31, 2019

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Independent Auditor's Report

Board of Directors
Hand Composite Employee Benefit Trust
Houston, Texas

We have audited the accompanying financial statements of 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, 2019, and the related statement 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, 2019, 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 22, 2020

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

	Western Asset Income CIF
Assets	
Investments, at cost	\$ 280,022,944
Investments, at fair value	\$ 287,839,792
Cash	256,598
Cash denominated in foreign currencies (cost - \$2,153,885)	2,199,985
Receivable from broker - variation margin on open futures contracts	70,069
Unrealized gain on foreign currency forward exchange contracts	617,208
Deposits with brokers for open futures contracts	946,087
Deposits with brokers for OTC swap contracts	110,000
Deposits with brokers for centrally cleared swap contracts	659,000
Foreign currency collateral for open futures contracts, at value (cost - \$308,757)	314,511
OTC swaps, at value (net premiums paid - \$17,043)	183,195
Receivable for:	
OTC swap contracts	389
Investment securities sold	309,155
Capital shares sold	1,187,151
Dividends and interest	2,994,817
Investment advisor waived fees	5,588
Total assets	\$ 297,693,545
Liabilities	
Payable for investment securities purchased	\$ 5,015,714
Payable for capital shares redeemed	2,039
Management fee payable	94,703
Written options, at value (premiums received - \$136,814)	27,505
OTC swaps, at value (net premiums received - \$49,920)	54,751
Payable to broker - variation margin on centrally cleared swap contracts	676,618
Accrued foreign capital gains tax	23,783
Unrealized loss on foreign currency forward exchange contracts	975,706
Payable for open OTC swap contracts	677
Accounts payable and accrued liabilities	66,561
Total liabilities	\$ 6,938,057
Net assets held for participants:	
Class R1	\$ 11,584,379
Class R3	278,736,316
Class R-LM	434,793
Total net assets held for participants	\$ 290,755,488
Units outstanding:	
Class R1	960,976
Class R3	23,093,829
Class R-LM	35,923
Total units outstanding	24,090,728
Net asset value per unit:	
Class R1	\$ 12.05
Class R3	\$ 12.07
Class R-LM	\$ 12.10

Hand Composite Employee Benefit Trust

Schedule of Investments

Western Asset Income CIF

December 31, 2019

Number of Shares		Cost	Fair Value
<u>Short Term Investment</u>			
998,818	State Street Institutional U.S. Government Money Market Fund, Premier Class 1.53%	\$ 998,818	\$ 998,818
	Total Short Term Investment	<u>0.35% 998,818</u>	<u>998,818</u>
<u>Common Stocks</u>			
<i>Energy</i>			
8,521	Berry Petroleum Corp.	104,401	80,353
13,981	Montage Resources Corp.	229,802	111,009
	Total Energy	<u>334,203</u>	<u>191,362</u>
	Total Common Stocks	<u>0.07% 334,203</u>	<u>191,362</u>
<u>Preferred Stocks</u>			
<i>Financials</i>			
11,500	B. Riley Financial, Inc. 6.50% 9/30/2026	287,500	289,800
3,200	B. Riley Financial, Inc. 6.88% 9/30/2023	80,000	82,016
	Total Financials	<u>367,500</u>	<u>371,816</u>
	Total Preferred Stocks	<u>0.13% 367,500</u>	<u>371,816</u>
Principal Amount†		Cost	Fair Value
<u>Collateralized Mortgage Obligations</u>			
\$	536,752 Connecticut Avenue Securities Trust Series 2018-R07, Class 1M2, 144A 4.19% 04/25/2031	\$ 536,752	\$ 542,959
	374,147 Federal Home Loan Mortgage Corp. Series 2014-HQ3, Class M3 6.54% 10/25/2024	379,905	396,089
	327,797 Federal Home Loan Mortgage Corp. Series 2015-DNA2, Class B 9.34% 12/25/2027	327,785	393,100
	57,805 Federal Home Loan Mortgage Corp. Series 2015-DNA2, Class M2 4.39% 12/25/2027	58,346	57,971
	151,977 Federal Home Loan Mortgage Corp. Series 2015-DNA3, Class M2 4.64% 04/25/2028	154,968	153,436
	531,851 Federal Home Loan Mortgage Corp. Series 2016-DNA2, Class M3 6.44% 10/25/2028	544,540	572,740
	60,168 Federal Home Loan Mortgage Corp. Series 2016-HQA1, Class M2 4.54% 09/25/2028	61,273	60,311
	380,000 Federal Home Loan Mortgage Corp. Series 2017-DNA2, Class M2 5.24% 10/25/2029	412,051	404,757
	410,000 Federal Home Loan Mortgage Corp. Series 2017-DNA3, Class M2 4.29% 03/25/2030	429,440	420,082
	600,000 Federal Home Loan Mortgage Corp. Series 2018-DNA1, Class B1 4.94% 07/25/2030	600,000	602,014
	600,000 Federal Home Loan Mortgage Corp. Series 2018-DNA1, Class M2 3.59% 07/25/2030	600,000	601,219
	18,744 Federal Home Loan Mortgage Corp. Series 3422, Class AI, IO, REMIC .25% 01/15/2038	213	152
	47,231 Federal Home Loan Mortgage Corp. Series 4415, Class IO, IO, REMIC 2.27% 04/15/2041	5,252	2,596
	65,392 Federal National Mortgage Association Series 2005-88, Class IP, IO, REMIC 2.27% 10/25/2035	1,558	6,714
	57,576 Federal National Mortgage Association Series 2006-118, Class IP1, IO, REMIC 1.77% 12/25/2036	14,444	5,840
	63,737 Federal National Mortgage Association Series 2006-118, Class IP2, IO, REMIC 1.77% 12/25/2036	-	6,466
	44,803 Federal National Mortgage Association Series 2006-28, Class IP, IO, REMIC 2.47% 03/25/2036	5,377	3,630
	65,139 Federal National Mortgage Association Series 2006-59, Class IP, IO, REMIC 3.08% 07/25/2036	11,694	7,887
	342,148 Federal National Mortgage Association Series 2014-C01, Class M2 6.19% 01/25/2024	377,478	371,839
	537,827 Federal National Mortgage Association Series 2014-C03, Class 1M2 4.79% 07/25/2024	567,038	565,735
	1,390,000 Federal National Mortgage Association Series 2016-C04, Class 1M2 6.04% 01/25/2029	1,531,529	1,477,885
	390,000 Federal National Mortgage Association Series 2017-C06, Class 1M2 4.44% 02/25/2030	406,019	400,243
	1,250,000 Federal National Mortgage Association Series 2018-C03, Class 1B1 5.54% 10/25/2030	1,250,000	1,331,905
	1,243,245 Federal National Mortgage Association Series 2018-C06, Class 1M2 3.79% 03/25/2031	1,243,245	1,248,460
	57,488 Government National Mortgage Association Series 2013-150, Class IA, IO 1.69% 11/20/2042	-	2,050
	1,121,218 GSMSC Resecuritization Trust Series 2015-7R, Class A, 144A 1.86% 09/26/2037	1,098,036	1,105,408
	416,339 LSTAR Securities Investment Trust Series 2019-1, Class A1, 144A 3.41% 03/01/2024	416,339	415,516
	305,006 New Residential Mortgage Loan Trust Series 2015-1A, Class A3 144A 3.75% 05/28/2052	305,370	314,506
	548,978 New Residential Mortgage Loan Trust Series 2017-3A, Class A1, 144A 4.00% 04/25/2057	563,037	570,424
	676,705 New Residential Mortgage Loan Trust Series 2019-6A, Class A1B, 144A 3.50% 09/25/2059	692,216	690,692
	349,885 Nomura Asset Acceptance Corp. Alternative Loan Trust Series 2007-1, Class 1A4 6.14% 03/25/2047	352,400	363,597

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2019

Principal Amount†		Cost	Fair Value	
<i><u>Collateralized Mortgage Obligations (Continued)</u></i>				
\$	788,080	PMT Credit Risk Transfer Trust 2019-1R Series 2019-1R, Class A, 144A 3.70% 03/27/2024	\$ 788,081	\$ 787,362
	703,996	Residential Mortgage Loan Trust Series 2019-2, Class A1, 144A 2.91% 05/25/2059	705,860	702,968
	1,220,000	Seasoned Credit Risk Transfer Trust Series 2019-4, Class M, 144A 4.50% 02/25/2059	1,224,532	1,237,456
		Total Collateralized Mortgage Obligations	5.50%	15,664,778
				15,824,009
<i><u>Convertible Bonds</u></i>				
	30,000	Chesapeake Energy Corp. Company Guarantee 5.50%	14,730	14,292
	1,280,000	Teva Pharmaceutical Finance Co. LLC Series C .25%	1,192,421	1,213,351
	100,000	Twitter, Inc. Sr Unsecured .25%	95,491	96,625
	230,000	Vonage Holdings Corp. Sr Unsecured 144A 1.75%	206,975	205,366
		Total Convertible Bonds	0.53%	1,509,617
				1,529,634
<i><u>Corporate Bonds</u></i>				
<i><u>Basic Materials</u></i>				
	420,000	Alcoa Nederland Holding BV Company Guarantee REGS 7.00% 09/30/2026	444,620	458,346
	300,000	OCP S.A. Sr Unsecured REGS 4.50% 10/22/2025	291,356	320,827
		Total Basic Materials	0.27%	735,976
				779,173
<i><u>Communications</u></i>				
	425,000	CSC Holdings LLC Sr Unsecured 144A 10.88% 10/15/2025	463,929	474,938
	800,000	Millicom International Cellular S.A. Sr Unsecured 144A 6.25% 03/25/2029	800,000	882,632
	765,000	Univision Communications, Inc. Sr Secured 144A 5.13% 05/15/2023	735,199	763,087
	60,000	Univision Communications, Inc. Sr Secured 144A 5.13% 02/15/2025	57,999	59,325
		Total Communications	0.76%	2,057,127
				2,179,982
<i><u>Consumer Discretionary</u></i>				
	420,000	American Axle & Manufacturing, Inc. Company Guarantee 6.50% 04/01/2027	399,339	435,750
	360,000	Carriage Services, Inc. Company Guarantee 144A 6.63% 06/01/2026	360,121	383,400
	300,000	Centene Corp. Sr Unsecured 144A 5.38% 06/01/2026	307,002	318,375
GBP	140,000	Co-operative Group Holdings 2011 Ltd. Company Guarantee REGS 7.50% 07/08/2026	227,972	211,841
	250,000	Cooperatieve Rabobank UA Company Guarantee 3.75% 07/21/2026	236,580	260,496
	620,000	Hanesbrands, Inc. Company Guarantee REGS 4.88% 05/15/2026	615,361	656,425
	570,000	Hilton Domestic Operating Co., Inc. Company Guarantee 5.13% 05/01/2026	569,367	599,925
	440,000	Jack Ohio Finance LLC / Jack Ohio Finance 1 Corp. Secured 144A 10.25% 11/15/2022	461,121	464,420
	950,000	KazMunayGas National Co. JSC Sr Unsecured 144A 4.75% 04/19/2027	924,055	1,043,100
	950,000	KazTransGas JSC Company Guarantee 144A 4.38% 09/26/2027	904,684	996,005
	900,000	L Brands, Inc. Company Guarantee 5.25% 02/01/2028	809,450	852,750
	400,000	L Brands, Inc. Company Guarantee 5.63% 10/15/2023	398,386	431,500
	410,000	Las Vegas Sands Corp. Sr Unsecured 3.20% 08/08/2024	409,701	422,138
	100,000	Lennar Corp. Company Guarantee 4.50% 04/30/2024	100,000	105,750
	260,000	MarkWest Energy Partners L.P. / MarkWest Energy Finance Corp. Company Guarantee 4.88% 12/01/2024	262,590	282,421
	750,000	Melco Resorts Finance Ltd. Sr Unsecured 144A 5.38% 12/04/2029	750,000	769,451
	360,000	MGM Growth Properties Operating Partnership L.P. / MGP Finance Co-Issuer, Inc. Company Guarantee 4.50% 09/01/2026	342,284	378,900
	380,000	Michaels Stores, Inc. Company Guarantee 144A 8.00% 07/15/2027	348,620	362,900
	410,000	Mohegan Tribal Gaming Authority Company Guarantee 144A 7.88% 10/15/2024	404,856	417,860
	420,000	Newell Brands, Inc. Sr Unsecured 4.20% 04/01/2026	432,477	437,957

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2019

Principal Amount†		Cost	Fair Value	
<i>Consumer Discretionary (Continued)</i>				
\$	430,000	OCP S.A. Sr Unsecured REGS 4.50% 10/22/2025	\$ 428,443	\$ 459,852
	370,000	Polaris Intermediate Corp. Sr Unsecured 144A 8.50% 12/01/2022	365,423	344,562
	300,000	Sands China Ltd. Sr Unsecured 5.13% 08/08/2025	299,784	329,202
	400,000	Silversea Cruise Finance Ltd. Sr Secured 144A 7.25% 02/01/2025	422,453	423,000
	320,000	Targa Resources Partners L.P. / Targa Resources Partners Finance Corp. Company Guarantee 144A 5.50% 03/01/2030	331,562	328,800
	470,000	Targa Resources Partners L.P. / Targa Resources Partners Finance Corp. Company Guarantee 144A 6.88% 01/15/2029	490,513	521,700
	60,000	Time Warner Cable LLC Sr Secured 5.88% 11/15/2040	57,900	68,866
	490,000	Weight Watchers International, Inc. Company Guarantee 144A 8.63% 12/01/2025	498,963	519,704
	610,000	Wendy's International LLC Sr Unsecured 7.00% 12/15/2025	644,206	642,025
	540,000	Wynn Macau Ltd. Sr Unsecured 144A 5.13% 12/15/2029	540,000	551,075
		Total Consumer Discretionary	4.87% 13,343,213	14,020,150
<i>Consumer Staples</i>				
	90,000	Altria Group, Inc. Company Guarantee 4.40% 02/14/2026	89,833	97,843
	290,000	Altria Group, Inc. Company Guarantee 4.80% 02/14/2029	289,488	323,253
	90,000	Altria Group, Inc. Company Guarantee 5.95% 02/14/2049	115,589	109,122
	570,000	Braskem Netherlands Finance BV Company Guarantee 144A 4.50% 01/10/2028	544,498	567,298
	950,000	CCO Holdings LLC / CCO Holdings Capital Corp. Sr Unsecured 5.13% 02/15/2023	950,588	960,688
	740,000	CCO Holdings LLC / CCO Holdings Capital Corp. Sr Unsecured 144A 5.00% 02/01/2028	765,447	776,497
	40,000	CVS Health Corp. Sr Unsecured 5.13% 07/20/2045	40,812	47,453
	10,000	Kraft Heinz Foods Co. Company Guarantee 3.00% 06/01/2026	9,292	10,003
	100,000	Kraft Heinz Foods Co. Company Guarantee 3.95% 07/15/2025	98,412	105,890
		Total Consumer Staples	1.04% 2,903,959	2,998,047
<i>Consumer, Cyclical</i>				
	500,000	1011778 BC ULC / New Red Finance, Inc. Sr Secured 144A 3.88% 01/15/2028	500,000	501,250
	250,000	JB Poindexter & Co., Inc. Sr Unsecured 144A 7.13% 04/15/2026	250,189	263,750
		Total Consumer, Cyclical	0.26% 750,189	765,000
<i>Consumer, Non-cyclical</i>				
	970,000	HCA, Inc. Company Guarantee 5.63% 09/01/2028	969,643	1,105,412
	250,000	Prosperous Ray Ltd. Company Guarantee REGS 4.63% 11/12/2023	256,687	266,209
		Total Consumer, Non-cyclical	0.48% 1,226,330	1,371,621
<i>Energy</i>				
	80,000	Apache Corp. Sr Unsecured 4.25% 01/15/2044	70,366	73,783
	310,000	Apache Corp. Sr Unsecured 4.38% 10/15/2028	290,643	324,256
	140,000	Bausch Health Americas, Inc. Company Guarantee 144A 9.25% 04/01/2026	152,353	160,804
	810,000	Berry Petroleum Co. LLC Company Guarantee 144A 7.00% 02/15/2026	784,800	750,263
	210,000	Blue Racer Midstream LLC / Blue Racer Finance Corp. Sr Unsecured 144A 6.63% 07/15/2026	210,000	190,050
	160,000	Calpine Corp. Sr Unsecured 5.75% 01/15/2025	164,245	164,200
	370,000	Cheniere Energy Partners L.P. Company Guarantee 144A 4.50% 10/01/2029	370,000	380,212
	380,000	Cheniere Energy, Inc. Sr Unsecured 4.25% 03/15/2045	302,297	299,270
	200,000	Chesapeake Energy Corp. Company Guarantee 6.13% 02/15/2021	192,639	185,000
	310,000	Cimarex Energy Co. Sr Unsecured 3.90% 05/15/2027	290,679	321,603
	400,000	Continental Resources, Inc. Company Guarantee 4.38% 01/15/2028	378,037	425,352
	560,000	Covey Park Energy LLC / Covey Park Finance Corp. Company Guarantee 144A 7.50% 05/15/2025	494,221	481,600
	500,000	Covey Park Energy LLC / Covey Park Finance Corp. Company Guarantee REGS 7.50% 05/15/2025	506,847	430,000
	300,000	DCP Midstream Operating L.P. Company Guarantee 3.88% 03/15/2023	304,259	306,750

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2019

Principal Amount†		Cost	Fair Value		
<i>Energy (Continued)</i>					
\$	130,000	Devon Energy Corp. Sr Unsecured 5.00% 06/15/2045	\$ 128,843	\$ 150,888	
	10,000	Devon Energy Corp. Sr Unsecured 5.60% 07/15/2041	10,117	12,161	
	420,000	Diamondback Energy, Inc. Company Guarantee 5.38% 05/31/2025	423,836	440,968	
	1,210,000	Eclipse Resources Corp. Company Guarantee 8.88% 07/15/2023	1,176,425	1,116,225	
	210,000	Extraction Oil & Gas, Inc. Company Guarantee 144A 5.63% 02/01/2026	190,627	126,000	
	260,000	Extraction Oil & Gas, Inc. Company Guarantee 144A 7.38% 05/15/2024	259,697	162,500	
	1,100,000	Global Aircraft Leasing Co., Ltd. Sr Unsecured 144A 6.50% 09/15/2024	1,100,000	1,147,795	
	460,000	Lukoil International Finance BV Company Guarantee REGS 4.75% 11/02/2026	460,732	509,621	
	1,110,000	MEG Energy Corp. Company Guarantee 144A 7.00% 03/31/2024	1,066,889	1,116,937	
	395,817	Northern Oil and Gas, Inc. Secured 144A 8.50% 05/15/2023	406,265	409,671	
	750,000	Oasis Petroleum, Inc. Company Guarantee 6.88% 03/15/2022	705,374	721,875	
	260,000	Oasis Petroleum, Inc. Company Guarantee 6.88% 01/15/2023	241,515	254,150	
	390,000	Occidental Petroleum Corp. Sr Unsecured 4.20% 03/15/2048	374,765	387,434	
	100,000	Occidental Petroleum Corp. Sr Unsecured 4.50% 07/15/2044	100,615	101,030	
	30,000	Occidental Petroleum Corp. Sr Unsecured 4.63% 06/15/2045	29,783	31,049	
	100,000	Occidental Petroleum Corp. Sr Unsecured 6.60% 03/15/2046	127,826	128,926	
	810,000	Oversea-Chinese Banking Corp., Ltd. Subordinated REGS 4.25% 06/19/2024	814,663	861,107	
	1,120,000	Petrobras Global Finance BV Company Guarantee 5.30% 01/27/2025	1,063,988	1,221,371	
	340,000	Petrobras Global Finance BV Company Guarantee 5.75% 02/01/2029	314,232	383,520	
	90,000	Petrobras Global Finance BV Company Guarantee 6.85% 06/05/2115	71,741	102,848	
	320,000	PetSmart, Inc. Company Guarantee 144A 8.88% 06/01/2025	294,778	316,000	
	1,240,000	Range Resources Corp. Company Guarantee 5.00% 03/15/2023	1,141,278	1,140,577	
	230,000	Range Resources Corp. Company Guarantee 5.88% 07/01/2022	227,732	228,275	
	750,000	Rockies Express Pipeline LLC Sr Unsecured REGS 6.88% 04/15/2040	878,803	780,000	
	380,000	Shelf Drilling Holdings Ltd. Company Guarantee 144A 8.25% 02/15/2025	364,564	361,950	
	350,000	Sinopec Group Overseas Development Ltd. Company Guarantee REGS 4.38% 10/17/2023	354,710	374,365	
	1,090,000	Transportadora de Gas del Sur S.A. Sr Unsecured 144A 6.75% 05/02/2025	1,011,667	961,925	
	440,000	Vale Overseas Ltd. Company Guarantee 6.25% 08/10/2026	466,321	516,472	
	370,000	Vale Overseas Ltd. Company Guarantee 6.88% 11/10/2039	375,542	481,925	
	170,000	Viper Energy Partners L.P. Company Guarantee 144A 5.38% 11/01/2027	170,000	176,800	
	360,000	Western Gas Partners L.P. Sr Unsecured 5.45% 04/01/2044	322,991	318,999	
	33,000	William Lyon Homes, Inc. Company Guarantee 7.00% 08/15/2022	33,000	33,083	
	160,000	Williams Cos., Inc. Sr Unsecured 8.75% 03/15/2032	201,387	230,148	
	230,000	WPX Energy, Inc. Sr Unsecured 5.25% 10/15/2027	229,853	242,650	
	250,000	WPX Energy, Inc. Sr Unsecured 8.25% 08/01/2023	269,213	287,500	
	230,000	YPF S.A. Sr Unsecured 144A 8.50% 03/23/2021	227,614	227,702	
	740,000	YPF S.A. Sr Unsecured REGS 8.50% 03/23/2021	738,353	732,607	
		Total Energy	7.40%	20,887,125	21,290,197
<i>Financials</i>					
EUR	600,000	Banco Bilbao Vizcaya Argentaria S.A. Jr Subordinated REGS 5.88% 09/24/2023	649,394	734,433	
	470,000	Banco Mercantil del Norte S.A. Jr Subordinated 144A 7.63% 01/10/2028	446,033	502,317	
	20,000	Bank of America Corp. Sr Unsecured MTN 5.00% 01/21/2044	21,806	26,086	
	200,000	Barclays Bank PLC Subordinated 7.63% 11/21/2022	205,844	224,750	
	200,000	Barclays PLC Jr Subordinated 7.75% 09/15/2023	200,000	218,500	
	580,000	Barclays PLC Jr Subordinated 8.00% 06/15/2024	580,000	648,875	
	200,000	Barclays PLC Sr Unsecured 4.97% 05/16/2029	199,405	225,522	
EUR	640,000	Barclays PLC Subordinated MTN, REGS 2.00% 02/07/2028	697,545	729,328	
	201,000	Citigroup, Inc. Sr Unsecured 8.13% 07/15/2039	279,667	335,561	
	800,000	CoreCivic, Inc. Company Guarantee 4.63% 05/01/2023	759,621	791,000	
	250,000	Country Garden Holdings Co., Ltd. Sr Secured REGS 7.25% 04/04/2021	250,000	250,314	
	240,000	Credit Agricole S.A. Jr Subordinated 144A 8.13% 12/23/2025	257,964	291,000	
EUR	400,000	Credit Agricole S.A. Jr Subordinated REGS 6.50% 06/23/2021	471,945	484,485	
	200,000	Credit Suisse Group AG Jr Subordinated 144A 7.25% 09/12/2025	200,000	223,250	
	210,000	Credit Suisse Group AG Jr Subordinated 144A 7.50% 07/17/2023	210,000	229,814	

Hand Composite Employee Benefit Trust
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Principal Amount†		Cost	Fair Value	
<i>Financials (Continued)</i>				
\$	400,000	Danske Bank AS Sr Unsecured 144A 5.00% 01/12/2022	\$ 399,224	\$ 420,157
	950,000	DP World PLC Sr Unsecured 144A 5.63% 09/25/2048	925,785	1,096,870
	340,000	ESH Hospitality, Inc. Company Guarantee 144A 4.63% 10/01/2027	340,000	344,250
	200,000	Ford Motor Credit Co. LLC Sr Unsecured 3.22% 01/09/2022	199,482	201,474
	110,000	GEO Group, Inc. Company Guarantee 5.88% 10/15/2024	100,704	100,100
	540,000	GEO Group, Inc. Company Guarantee 6.00% 04/15/2026	505,656	479,250
	100,000	Goldman Sachs Group, Inc. Subordinated 6.75% 10/01/2037	126,604	138,913
	130,000	Goldman Sachs Group, Inc. Subordinated 5.15% 05/22/2045	125,588	159,801
	400,000	Goodman HK Finance Company Guarantee REGS 4.38% 06/19/2024	403,340	419,641
	400,000	HSBC Holdings PLC Jr Subordinated 6.50% 03/23/2028	378,339	440,000
EUR	550,000	HSBC Holdings PLC Jr Subordinated REGS 5.25% 09/16/2022	645,031	672,543
	800,000	Intesa Sanpaolo S.p.A. Subordinated 144A 5.02% 06/26/2024	749,194	840,620
	800,000	Intesa Sanpaolo S.p.A. Subordinated 144A 5.71% 01/15/2026	749,685	865,957
	200,000	Lloyds Banking Group PLC Jr Subordinated 7.50% 06/27/2024	204,036	221,000
EUR	800,000	Lloyds Banking Group PLC Jr Subordinated REGS 6.38% 06/27/2020	925,085	918,672
	780,000	Northwest Acquisitions ULC / Dominion Finco, Inc. Secured 144A 7.13% 11/01/2022	600,300	585,000
	740,000	Owl Rock Capital Corp. Sr Unsecured 4.00% 03/30/2025	736,271	742,937
	316,000	Prime Security Services Borrower LLC / Prime Finance, Inc. Secured 144A 9.25% 05/15/2023	326,063	331,405
	110,000	Prime Security Services Borrower LLC / Prime Finance, Inc. Sr Secured 144A 5.25% 04/15/2024	110,000	116,380
	250,000	Prime Security Services Borrower LLC / Prime Finance, Inc. Sr Secured 144A 5.75% 04/15/2026	252,345	271,720
	160,000	Quicken Loans, Inc. Company Guarantee 144A 5.75% 05/01/2025	161,023	165,400
	400,000	Quicken Loans, Inc. Company Guarantee REGS 5.75% 05/01/2025	390,595	413,500
	200,000	Royal Bank of Scotland Group PLC Jr Subordinated 8.63% 08/15/2021	199,804	214,500
	120,000	Royal Bank of Scotland Group PLC Subordinated 5.13% 05/28/2024	120,450	130,020
	100,000	Royal Bank of Scotland Group PLC Subordinated 6.00% 12/19/2023	104,404	111,220
GBP	200,000	Santander UK Group Holdings PLC Jr Subordinated REGS 7.38% 06/24/2022	308,003	288,697
	510,000	Santander UK Group Holdings PLC Subordinated 144A 4.75% 09/15/2025	491,685	547,354
	140,000	T-Mobile USA, Inc. Company Guarantee 4.75% 02/01/2028	140,000	146,693
	660,000	T-Mobile USA, Inc. Company Guarantee 6.50% 01/15/2026	682,912	707,659
	540,000	UniCredit S.p.A. Subordinated 144A 7.30% 04/02/2034	540,000	621,239
	590,000	VICI Properties L.P. / VICI Note Co., Inc. Company Guarantee 144A 4.63% 12/01/2029	590,000	615,075
	975,000	XPO CNW, Inc. Sr Unsecured 6.70% 05/01/2034	942,061	989,625
		Total Financials	7.03% 18,902,893	20,232,907
<i>Healthcare</i>				
	160,000	AbbVie, Inc. Sr Unsecured 144A 2.95% 11/21/2026	159,812	162,906
	600,000	AbbVie, Inc. Sr Unsecured 144A 4.05% 11/21/2039	598,429	630,634
	700,000	Bausch Health Cos., Inc. Company Guarantee REGS 9.00% 12/15/2025	700,000	796,040
	450,000	Bausch Health Cos., Inc. Sr Unsecured 144A 5.00% 01/30/2028	450,000	461,876
	410,000	Bausch Health Cos., Inc. Sr Unsecured 144A 5.25% 01/30/2030	410,000	425,170
	40,000	Becton Dickinson & Co. Sr Unsecured 4.88% 05/15/2044	43,565	46,343
	280,000	Bristol-Myers Squibb Co. Sr Unsecured 144A 4.25% 10/26/2049	277,667	332,437
	20,000	Centene Corp. Sr Unsecured 6.13% 02/15/2024	20,583	20,750
	120,000	Centene Corp. Sr Unsecured 144A 4.25% 12/15/2027	119,000	123,450
	270,000	Centene Corp. Sr Unsecured 144A 4.63% 12/15/2029	270,000	283,865
	640,000	CVS Health Corp. Sr Unsecured 4.78% 03/25/2038	633,080	727,596
	190,000	Endeavor Energy Resources L.P. / EER Finance, Inc. Sr Unsecured 144A 5.50% 01/30/2026	196,349	196,175
	360,000	Endeavor Energy Resources L.P. / EER Finance, Inc. Sr Unsecured 144A 5.75% 01/30/2028	380,888	378,450
	240,000	Evolent Health, Inc. Sr Unsecured 1.50% 10/15/2025	157,990	167,407
	630,000	Five Point Operating Co. L.P. / Five Point Capital Corp. Company Guarantee 144A 7.88% 11/15/2025	614,964	634,605
	80,000	Genesis Energy L.P. / Genesis Energy Finance Corp. Company Guarantee 5.63% 06/15/2024	76,537	77,200
	430,000	Genesis Energy L.P. / Genesis Energy Finance Corp. Company Guarantee 6.00% 05/15/2023	417,298	425,700
	330,000	GFL Environmental, Inc. Sr Unsecured 144A 7.00% 06/01/2026	333,729	348,612
	600,000	HCA, Inc. Sr Secured 5.50% 06/15/2047	590,201	689,699
	630,000	Immucor, Inc. Company Guarantee 144A 11.13% 02/15/2022	635,005	628,425

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<i>Healthcare (Continued)</i>			
\$	525,000 International Game Technology PLC Sr Secured 144A 6.50% 02/15/2025	\$ 534,218	\$ 589,313
	330,000 Magellan Health, Inc. Sr Unsecured 4.90% 09/22/2024	315,104	338,250
	850,000 Pactiv LLC Sr Unsecured 8.38% 04/15/2027	888,593	947,750
	750,000 PetSmart Inc Company Guarantee 144A 7.13% 03/15/2023	699,938	735,000
	550,000 Prosus NV Company Guarantee 144A 4.85% 07/06/2027	543,935	599,169
	450,000 Scientific Games International, Inc. Company Guarantee 6.63% 05/15/2021	452,237	455,625
	420,000 Speedway Motorsports LLC / Speedway Funding II, Inc. Sr Unsecured 144A 4.88% 11/01/2027	420,000	425,775
	340,000 Teva Pharmaceutical Finance Netherlands III BV Company Guarantee 144A 7.13% 01/31/2025	340,000	349,248
	770,000 Viking Cruises Ltd. Company Guarantee 144A 5.88% 09/15/2027	758,930	822,937
	610,000 VOC Escrow Ltd. Sr Secured 144A 5.00% 02/15/2028	575,384	638,975
	Total Healthcare	4.68% <u>12,613,436</u>	<u>13,459,382</u>
<i>Industrials</i>			
	10,000 Actavis Funding SCS Company Guarantee 3.45% 03/15/2022	9,995	10,230
	600,000 Allied Universal Holdco LLC / Allied Universal Finance Corp. Sr Secured 144A 6.63% 07/15/2026	602,560	644,820
	1,140,000 American Media LLC Secured 144A 10.50% 12/31/2026	1,087,660	1,225,500
	480,000 ARD Finance S.A. Sr Secured 144A 6.50% 06/30/2027	480,000	496,296
	475,000 ASP AMC Merger Sub, Inc. Sr Unsecured 144A 8.00% 05/15/2025	419,414	315,875
	220,000 Avolon Holdings Funding Ltd. Company Guarantee 144A 5.13% 10/01/2023	216,493	237,134
	230,000 Boeing Co. Sr Unsecured 3.25% 02/01/2035	232,955	235,396
	20,000 Cascades Inc/Cascades USA, Inc. Company Guarantee 144A 5.13% 01/15/2026	20,000	20,550
	50,000 Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 5.38% 04/01/2038	49,452	57,052
	180,000 Charter Communications Operating LLC / Charter Communications Operating Capital Sr Secured 5.75% 04/01/2048	172,830	210,226
	620,000 Cleaver-Brooks, Inc. Sr Secured 144A 7.88% 03/01/2023	609,432	618,450
	200,000 Comstock Resources, Inc. Company Guarantee 9.75% 08/15/2026	165,335	181,500
	1,210,000 DAE Funding LLC Company Guarantee 144A 5.75% 11/15/2023	1,202,449	1,268,988
	1,200,000 General Electric Co. Sr Unsecured 6.88% 01/10/2039	1,367,867	1,603,851
	360,000 GEO Group, Inc. Company Guarantee 5.88% 01/15/2022	354,260	357,300
	190,000 GFL Environmental, Inc. Sr Secured 144A 5.13% 12/15/2026	190,000	199,762
	930,000 GFL Environmental, Inc. Sr Unsecured 144A 5.38% 03/01/2023	915,370	957,900
	360,000 GFL Environmental, Inc. Sr Unsecured 144A 8.50% 05/01/2027	367,125	396,000
	120,000 Harsco Corp. Company Guarantee 144A 5.75% 07/31/2027	121,074	127,952
	365,000 MPT Operating Partnership L.P. / MPT Finance Corp. Company Guarantee 5.00% 10/15/2027	352,287	386,900
	186,000 MPT Operating Partnership L.P. / MPT Finance Corp. Company Guarantee 5.25% 08/01/2026	179,073	196,498
	500,000 Navios Maritime Acquisition Corp. / Navios Acquisition Finance US, Inc. Sr Secured REGS 8.13% 11/15/2021	479,371	395,000
	1,060,000 NGPL PipeCo LLC Sr Unsecured 144A 7.77% 12/15/2037	1,269,498	1,368,654
	210,000 Park Aerospace Holdings Ltd. Company Guarantee REGS 5.50% 02/15/2024	216,492	230,561
	470,000 Park-Ohio Industries, Inc. Company Guarantee 6.63% 04/15/2027	455,414	478,486
	1,845,000 United Rentals North America, Inc. Company Guarantee 4.88% 01/15/2028	1,718,567	1,921,069
	80,000 United Rentals North America, Inc. Company Guarantee 5.25% 01/15/2030	84,807	86,104
	210,000 United Rentals North America, Inc. Secured 144A 3.88% 11/15/2027	210,000	214,400
	500,000 UPCB Finance IV Ltd. Sr Secured 144A 5.38% 01/15/2025	485,061	514,000
	350,000 William Lyon Homes, Inc. Company Guarantee 5.88% 01/31/2025	360,643	360,500
	120,000 XPO Logistics, Inc. Company Guarantee 144A 6.13% 09/01/2023	118,254	123,876
	Total Industrials	5.36% <u>14,513,738</u>	<u>15,440,830</u>
<i>Information Technology</i>			
	310,000 Advanced Micro Devices, Inc. Sr Unsecured 7.50% 08/15/2022	340,928	349,138
	1,925,000 Altice France S.A. Sr Secured 144A 7.38% 05/01/2026	1,889,199	2,066,757
	250,000 Altice France S.A. Sr Secured REGS 7.38% 05/01/2026	254,160	268,410
	590,000 Anheuser-Busch InBev Worldwide, Inc. Company Guarantee 5.55% 01/23/2049	588,060	766,597
	90,000 Anheuser-Busch InBev Worldwide, Inc. Company Guarantee 5.80% 01/23/2059	89,683	122,916

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<i>Information Technology (Continued)</i>			
\$	100,000 CalAtlantic Group, Inc. Company Guarantee 5.25% 06/01/2026	\$ 96,768	\$ 100,375
	400,000 CDK Global, Inc. Sr Unsecured 144A 5.25% 05/15/2029	400,000	429,000
	360,000 Cogent Communications Group, Inc. Sr Secured 144A 5.38% 03/01/2022	361,512	376,200
	140,000 CommScope Technologies LLC Company Guarantee 144A 5.00% 03/15/2027	130,899	131,600
	250,000 CommScope, Inc. Company Guarantee 144A 8.25% 03/01/2027	235,405	263,125
	1,160,000 CSC Holdings LLC Company Guarantee 144A 6.50% 02/01/2029	1,163,189	1,293,400
	200,000 CSC Holdings LLC Company Guarantee REGS 6.63% 10/15/2025	209,322	212,750
	400,000 NCL Corp. Ltd. Sr Unsecured 144A 3.63% 12/15/2024	400,000	405,500
	450,000 Taken Energy Supply LLC Company Guarantee 144A 10.50% 01/15/2026	468,194	428,062
	670,000 Vishay Intertechnology, Inc. Sr Unsecured 2.25% 06/15/2025	618,457	671,201
	Total Information Technology	2.74% <u>7,245,776</u>	<u>7,885,031</u>
<i>Materials</i>			
	600,000 Alcoa Nederland Holding BV Company Guarantee 144A 6.13% 05/15/2028	590,545	649,500
	250,000 ArcelorMittal S.A. Sr Unsecured 6.13% 06/01/2025	278,689	287,247
	1,200,000 First Quantum Minerals Ltd. Company Guarantee 144A 7.25% 04/01/2023	1,142,548	1,242,336
	1,500,000 Freeport-McMoRan, Inc. Company Guarantee 5.45% 03/15/2043	1,330,707	1,552,500
	500,000 Glencore Funding LLC Company Guarantee 144A 3.88% 10/27/2027	473,176	516,390
	50,000 Glencore Funding LLC Company Guarantee 144A 4.00% 03/27/2027	46,054	51,970
	550,000 Hudbay Minerals, Inc. Company Guarantee 144A 7.63% 01/15/2025	551,117	580,525
	320,000 Hudbay Minerals, Inc. Company Guarantee REGS 7.63% 01/15/2025	335,699	337,760
	390,000 Mercer International, Inc. Sr Unsecured 7.38% 01/15/2025	399,993	419,815
	190,000 Sensata Technologies, Inc. 4.38% 02/15/2030	190,000	193,690
	890,000 Suzano Austria GmbH Company Guarantee 6.00% 01/15/2029	898,458	1,003,475
	450,000 Suzano Austria GmbH Company Guarantee REGS 5.75% 07/14/2026	455,927	502,875
	390,000 Teck Resources Ltd. Sr Unsecured 5.40% 02/01/2043	376,113	412,372
	150,000 Teck Resources Ltd. Sr Unsecured 6.00% 08/15/2040	154,367	167,454
	Total Materials	2.75% <u>7,223,393</u>	<u>7,917,909</u>
<i>Telecommunication Services</i>			
	720,000 Alice Luxembourg S.A. Sr Secured 144A 10.50% 05/15/2027	725,534	820,836
	2,120,000 DISH DBS Corp. Company Guarantee 7.75% 07/01/2026	1,914,152	2,245,907
	390,000 DISH Network Corp. Sr Unsecured 3.38% 08/15/2026	344,131	375,141
	220,000 Fox Corp. Sr Unsecured 144A 4.71% 01/25/2029	220,779	250,884
	120,000 Fox Corp. Sr Unsecured 144A 5.48% 01/25/2039	128,202	146,831
	340,000 iHeartCommunications, Inc. Sr Secured 144A 4.75% 01/15/2028	340,135	348,500
	120,000 Levi Strauss & Co. Sr Unsecured 5.00% 05/01/2025	120,678	123,600
	380,000 Match Group, Inc. Sr Unsecured 144A 5.00% 12/15/2027	358,332	396,150
	650,000 Netflix, Inc. Sr Unsecured 5.88% 11/15/2028	654,507	720,564
	340,000 Netflix, Inc. Sr Unsecured 6.38% 05/15/2029	340,000	387,175
	310,000 Sprint Capital Corp. Company Guarantee 6.88% 11/15/2028	319,543	334,025
	1,190,000 Sprint Capital Corp. Company Guarantee 8.75% 03/15/2032	1,327,351	1,444,362
	275,000 Sprint Corp. Company Guarantee 7.88% 09/15/2023	286,025	303,416
	270,000 Telecom Italia SpA Sr Unsecured 144A 5.30% 05/30/2024	258,609	290,250
	710,000 Twitter, Inc. Sr Unsecured 144A 3.88% 12/15/2027	710,000	709,631
	560,000 UBS Group AG Jr Subordinated 144A 7.00% 01/31/2024	560,000	611,800
	Total Telecommunication Services	3.30% <u>8,607,978</u>	<u>9,509,072</u>

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Principal Amount†		Cost	Fair Value
<i>Utilities</i>			
GBP \$	150,000 Anglian Water Osprey Financing PLC Sr Secured REGS 5.00% 04/30/2023	\$ 229,752	\$ 204,939
	250,000 FirstEnergy Corp. Sr Unsecured Series C 7.38% 11/15/2031	304,641	353,026
	300,000 NRG Energy, Inc. Company Guarantee 7.25% 05/15/2026	316,533	327,750
	Total Utilities	0.31% 850,926	885,715
	Total Corporate Bonds	41.25% 111,862,059	118,735,016
<i>Floating Rate Loans</i>			
<i>Communications</i>			
	565,495 Virgin Media Bristol LLC USD Term Loan N 4.24% 01/31/2028	566,678	568,637
	Total Communications	0.20% 566,678	568,637
<i>Consumer Discretionary</i>			
	211,021 1011778 B.C. Unlimited Liability Company Term Loan B4 3.55% 11/19/2026	211,787	211,219
	207,447 Academy, Ltd. 2015 Term Loan B 5.69% 07/01/2022	193,234	169,675
	644,275 Almonde, Inc. USD 1st Lien Term Loan 5.70% 06/13/2024	628,309	639,174
	680,952 Alterra Mountain Company Term Loan B1 4.55% 07/31/2024	675,397	683,931
	708,216 AMC Entertainment Holdings, Inc. 2019 Term Loan B 4.80% 04/22/2026	707,344	712,642
	327,408 American Axle & Manufacturing, Inc. Term Loan B 4.19% 04/06/2024	326,607	326,181
	190,125 Aristocrat Technologies, Inc. 2018 1st Lien Term Loan 3.72% 10/19/2024	190,754	190,838
	640,943 Bass Pro Group LLC Term Loan B 6.80% 09/25/2024	634,395	637,738
	142,127 Boyd Gaming Corporation Term Loan B3 3.85% 09/15/2023	142,887	142,955
	697,855 Caesars Entertainment Operating Company Exit Term Loan 3.80% 10/07/2024	699,022	701,780
	679,666 Caesars Resort Collection, LLC 2017 1st Lien Term Loan B 4.55% 12/23/2024	681,090	679,950
	226,080 CEC Entertainment, Inc. 2019 Term Loan B 8.30% 08/30/2026	215,926	216,584
	518,700 Charter Communications Operating, LLC 2019 Term Loan B2 3.55% 02/01/2027	520,635	521,618
	309,209 Equinox Holdings, Inc. 2017 1st Lien Term Loan —% 03/08/2024	309,596	310,304
	323,581 Four Seasons Hotels Limited New 1st Lien Term Loan 3.80% 11/30/2023	325,277	325,649
	347,742 Golden Nugget, Inc. 2017 Incremental Term Loan B 4.72% 10/04/2023	349,417	348,651
	660,000 Hilton Worldwide Finance, LLC 2019 Term Loan B2 3.54% 06/22/2026	664,066	664,056
	330,000 Hornblower Sub, LLC 2018 Term Loan B 6.44% 04/27/2025	330,815	331,237
	471,672 iHeartCommunications, Inc. Exit Term Loan 5.69% 05/01/2026	474,878	475,631
	762,281 Kingpin Intermediate Holdings LLC 2018 Term Loan B 5.30% 07/03/2024	757,443	761,963
	76,009 Leslie's Poolmart, Inc. 2016 Term Loan 5.34% 08/16/2023	76,351	70,997
	235,907 MGM Growth Properties Operating Partnership LP 2016 Term Loan B 3.80% 03/21/2025	236,650	236,708
	970,238 Michaels Stores, Inc. 2018 Term Loan B 4.29% 01/30/2023	947,258	937,250
	468,760 Mohegan Tribal Gaming Authority 2016 Term Loan B 5.80% 10/13/2023	450,707	450,478
	839,675 Nexstar Broadcasting, Inc. 2019 Term Loan B4 4.45% 09/18/2026	839,753	843,407
	579,820 Party City Holdings, Inc. 2018 Term Loan B 4.30% 08/19/2022	578,655	537,204
	48,415 Petco Animal Supplies, Inc. 2017 Term Loan B 5.18% 01/26/2023	48,583	40,865
	500,083 PetSmart, Inc. Term Loan 5.74% 03/11/2022	468,153	494,527
	710,056 Scientific Games International, Inc. 2018 Term Loan B5 4.55% 08/14/2024	703,083	711,197
	302,452 Trans Union, LLC 2019 Term Loan B5 3.55% 11/16/2026	302,530	303,539
	889,390 Univision Communications, Inc. Term Loan C5 4.55% 03/15/2024	867,512	876,367
	249,494 VFH Parent LLC 2019 Term Loan B 5.20% 03/01/2026	249,622	250,242
	294,523 Wink Holdco, Inc 1st Lien Term Loan B 4.80% 12/02/2024	289,988	293,602
	325,875 Wyndham Hotels & Resorts, Inc. Term Loan B 3.55% 05/30/2025	326,366	327,199
	Total Consumer Discretionary	5.36% 15,424,090	15,425,358
<i>Consumer Staples</i>			
	179,545 Vercend Holding Corp. 2018 Term Loan B 6.30% 08/27/2025	179,766	180,443
	Total Consumer Staples	0.06% 179,766	180,443

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<i>Consumer, Cyclical</i>			
\$ 708,225	Panther BF Aggregator 2 LP USD Term Loan B 5.30% 04/30/2026	\$ 702,947	\$ 709,995
552,604	Stars Group Holdings B.V. 2018 USD Incremental Term Loan 5.44% 07/10/2025	548,663	556,831
	Total Consumer, Cyclical	0.44% <u>1,251,610</u>	<u>1,266,826</u>
<i>Consumer, Non-cyclical</i>			
404,513	Albertsons, LLC 2019 Term Loan B7 4.55% 11/17/2025	400,655	407,848
170,295	Albertsons, LLC 2019 Term Loan B8 4.55% 08/17/2026	171,815	171,726
	Total Consumer, Non-cyclical	0.20% <u>572,470</u>	<u>579,574</u>
<i>Energy</i>			
670,000	Chesapeake Energy Corporation 2019 Last Out Term Loan —% 06/09/2024	656,600	688,425
393,511	Jaguar Holding Company II 2018 Term Loan 4.30% 08/18/2022	394,598	395,260
	Total Energy	0.38% <u>1,051,198</u>	<u>1,083,685</u>
<i>Financials</i>			
173,874	Ancestry.com Operations, Inc. Term Loan B 5.55% 10/19/2023	174,969	170,940
255,148	CityCenter Holdings, LLC 2017 Term Loan B 4.05% 04/18/2024	256,156	256,012
198,496	Edelman Financial Center, LLC 2018 1st Lien Term Loan 5.04% 07/21/2025	199,197	199,340
49,624	First Eagle Investment Management, LLC 2018 Term Loan B 4.69% 12/02/2024	49,790	49,823
666,616	Focus Financial Partners, LLC 2018 Incremental Term Loan 4.30% 07/03/2024	668,979	670,782
434,994	GlobalTranz Enterprises, Inc. 2019 Term Loan 6.79% 05/15/2026	426,884	395,844
225,975	Iron Mountain, Inc. 2018 Term Loan B 3.54% 01/02/2026	225,522	225,128
11,099	MA FinanceCo. LLC USD Term Loan B3 4.30% 06/21/2024	11,080	11,109
199,499	Project Alpha Intermediate Holding, Inc. 2019 Incremental Term Loan B 6.24% 04/26/2024	199,499	200,870
1,097,243	RegionalCare Hospital Partners Holdings, Inc. 2018 Term Loan B 6.30% 11/17/2025	1,102,365	1,105,015
212,825	RPI Finance Trust Term Loan B6 3.80% 03/27/2023	214,053	214,391
708,212	Sedgwick Claims Management Services, Inc. 2018 Term Loan B 5.05% 12/31/2025	689,931	708,212
800,000	Terrier Media Buyer, Inc. Term Loan B —% 12/17/2026	796,000	807,334
710,000	WP CityMD Bidco LLC 2019 Term Loan B 6.44% 08/13/2026	701,221	710,000
	Total Financials	1.99% <u>5,715,646</u>	<u>5,724,800</u>
<i>Healthcare</i>			
136,816	Air Methods Corporation 2017 Term Loan B 5.44% 04/22/2024	137,329	119,144
175,950	Albany Molecular Research, Inc. 2017 1st Lien Term Loan 5.05% 08/30/2024	177,494	175,125
680,000	APi Group DE, Inc. Term Loan B 4.30% 10/01/2026	680,003	684,675
146,615	Bausch Health Companies, Inc. 2018 Term Loan B 4.74% 06/02/2025	147,444	147,417
677,107	Change Healthcare Holdings LLC 2017 Term Loan B 4.30% 03/01/2024	674,979	678,940
695,816	Gannet Holdings LLC Fixed Term Loan 11.50% 11/19/2024	661,649	662,185
224,874	Global Medical Response, Inc. 2018 Term Loan B1 5.04% 04/28/2022	224,802	219,392
770,000	HC Group Holdings II, Inc. Term Loan B 6.30% 08/06/2026	762,511	766,150
219,437	Immucor, Inc. Extended Term Loan B 6.95% 06/15/2021	219,557	218,409
606,527	MPH Acquisition Holdings LLC 2016 Term Loan B 4.69% 06/07/2023	598,973	597,176
586,844	Phoenix Guarantor Inc Term Loan B 6.21% 03/05/2026	587,310	589,533
741,427	RadNet, Inc. Reprice Term Loan 5.51% 06/30/2023	740,380	743,281
700,000	Sotera Health Holdings, LLC 2019 Term Loan 6.29% 12/11/2026	693,016	701,167
817,950	U.S. Renal Care, Inc. 2019 Term Loan B 6.81% 06/26/2026	798,089	809,362
235,000	VICI Properties 1 LLC Replacement Term Loan B 3.79% 12/20/2024	235,945	235,881
	Total Healthcare	2.55% <u>7,339,481</u>	<u>7,347,837</u>

Hand Composite Employee Benefit Trust
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Principal Amount†		Cost	Fair Value
<i>Industrials</i>			
\$	48,840 Advantage Sales & Marketing, Inc. 2014 1st Lien Term Loan 5.05% 07/23/2021	\$ 47,853	\$ 47,009
	95,015 Allied Universal Holdco LLC 2019 Delayed Draw Term Loan 6.05% 07/10/2026	94,668	95,513
	959,648 Allied Universal Holdco LLC 2019 Term Loan B 6.05% 07/10/2026	956,112	964,686
	203,700 American Airlines, Inc. 2017 Incremental Term Loan 3.74% 12/14/2023	203,700	204,209
	205,186 Aramark Services, Inc. 2018 Term Loan B3 3.55% 03/11/2025	206,459	205,827
	261,151 Asurion LLC 2017 Term Loan B4 4.80% 08/04/2022	261,151	262,522
	673,166 Asurion LLC 2018 Term Loan B7 4.80% 11/03/2024	670,260	676,392
	754,699 Athenahealth, Inc. 2019 Term Loan B 6.40% 02/11/2026	747,980	757,529
	180,000 Atkins Nutritionals Holdings II, Inc. 2017 Term Loan B 5.73% 07/07/2024	180,442	181,350
	208,396 Avolon TLB Borrower 1 (US) LLC Term Loan B3 3.51% 01/15/2025	207,842	209,569
	696,500 Blackstone CQP Holdco LP Term Loan B 5.41% 09/30/2024	698,165	699,329
	987,506 Brookfield WEC Holdings Inc. 2018 1st Lien Term Loan 5.30% 08/01/2025	988,086	992,856
	810,000 DCert Buyer, Inc. 2019 Term Loan B 5.80% 10/16/2026	807,731	811,012
	112,551 Entercom Media Corp. 2019 Term Loan 4.30% 11/18/2024	112,867	113,396
	1,410,000 Garda World Security Corporation 2019 1st Lien Term Loan B 6.66% 10/30/2026	1,382,240	1,416,462
	215,764 Generac Power Systems, Inc. 2019 Term Loan B 3.44% 12/10/2026	216,836	216,663
	540,000 Genesee & Wyoming Inc. Term Loan —% 11/06/2026	544,137	544,725
	667,372 GFL Environmental Inc. 2018 USD Term Loan B 4.80% 05/30/2025	662,820	667,491
	380,000 Grifols Worldwide Operations USA, Inc. USD 2019 Term Loan B —% 11/15/2027	381,763	382,802
	615,327 Jane Street Group, LLC 2018 Term Loan B 4.80% 08/25/2022	614,165	612,763
	226,550 NCI Building Systems Inc 2018 Term Loan 5.49% 04/12/2025	228,284	225,512
	1,140,186 Prime Security Services Borrower, LLC 2019 Term Loan B1 4.94% 09/23/2026	1,127,276	1,142,087
	895,778 Reynolds Group Holdings, Inc. USD 2017 Term Loan 4.55% 02/05/2023	892,960	898,017
	570,323 Sophia, L.P. 2017 Term Loan B 5.19% 09/30/2022	565,852	571,321
	568,068 TKC Holdings, Inc. 2017 1st Lien Term Loan 5.55% 02/01/2023	563,550	525,463
	349,125 Ultimate Software Group, Inc. Term Loan B 5.55% 05/04/2026	351,079	350,725
	Total Industrials	4.79% <u>13,714,278</u>	<u>13,775,230</u>
<i>Information Technology</i>			
	778,050 CommScope, Inc. 2019 Term Loan B 5.05% 04/06/2026	771,131	781,940
	310,000 Corecivic Inc 2019 Term Loan —% 12/12/2024	294,500	301,863
	199,500 Dell International LLC 2019 Term Loan B 3.80% 09/19/2025	199,739	200,656
	712,014 McAfee, LLC 2018 USD Term Loan B 5.55% 09/30/2024	713,106	714,862
	223,832 Ring Container Technologies Group, LLC 1st Lien Term Loan 4.55% 10/31/2024	224,474	224,205
	276,499 Securus Technologies Holdings, Inc. 2017 1st Lien Term Loan 6.30% 11/01/2024	273,939	203,227
	225,975 Verra Mobility Corporation 2018 1st Lien Term Loan 5.55% 02/28/2025	227,748	227,199
	153,702 Western Digital Corporation 2018 Term Loan B4 3.45% 04/29/2023	154,239	154,246
	Total Information Technology	0.97% <u>2,858,876</u>	<u>2,808,198</u>
<i>Materials</i>			
	613,328 Berry Global, Inc. Term Loan W 3.72% 10/01/2022	612,108	615,409
	Total Materials	0.21% <u>612,108</u>	<u>615,409</u>
<i>Technology</i>			
	74,953 Seattle Spinco, Inc. USD Term Loan B3 4.30% 06/21/2024	74,827	75,024
	Total Technology	0.03% <u>74,827</u>	<u>75,024</u>
<i>Telecommunication Services</i>			
	476,940 Global Tel*Link Corporation 2018 1st Lien Term Loan 6.05% 11/29/2025	467,838	431,630
	214,500 Intelsat Jackson Holdings S.A. 2017 Term Loan B3 5.68% 11/27/2023	214,040	214,554
	344,074 Level 3 Financing Inc. 2019 Term Loan B 3.55% 03/01/2027	342,732	345,508

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
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December 31, 2019

Principal Amount†		Cost	Fair Value		
<i>Telecommunication Services (Continued)</i>					
\$	69,821	Sprint Communications, Inc. 1st Lien Term Loan B 4.31% 02/02/2024	\$ 69,302	\$ 69,188	
		Total Telecommunication Services	0.37%	1,093,912	1,060,880
<i>Utilities</i>					
	416,842	AppLovin Corporation 2018 Term Loan B 5.30% 08/15/2025	419,256	419,056	
	499,850	UFC Holdings, LLC 2019 Term Loan 5.50% 04/29/2026	500,603	502,724	
		Total Utilities	0.32%	919,859	921,780
		Total Floating Rate Loans	17.87%	51,374,799	51,433,681
<i>Foreign Government</i>					
<i>Argentina</i>					
ARS	44,090,000	Argentina POM Politica Monetaria 56.59% 06/21/2020	1,359,805	493,392	
	360,000	Argentine Government International Bond Sr Unsecured 4.63% 01/11/2023	310,996	178,204	
	250,000	Argentine Government International Bond Sr Unsecured 6.88% 04/22/2021	219,615	135,000	
ARS	1,940,000	Bonos de la Nacion Argentina con Ajuste por CER 4.00% 03/06/2020	97,275	51,520	
	2,430,000	Provincia de Buenos Aires Sr Unsecured 144A 6.50% 02/15/2023	2,128,419	1,008,450	
	150,000	Provincia de Buenos Aires Sr Unsecured 144A 7.88% 06/15/2027	118,867	63,750	
	450,000	Provincia de Buenos Aires Sr Unsecured 144A 9.13% 03/16/2024	387,594	196,875	
	500,000	Provincia de Buenos Aires Sr Unsecured REGS 9.95% 06/09/2021	388,528	240,000	
	1,870,000	Provincia de Buenos Aires/Government Bonds Sr Unsecured 144A 9.95% 06/09/2021	988,687	897,600	
	133,333	Provincia de Buenos Aires/Government Bonds Sr Unsecured REGS 10.88% 01/26/2021	74,229	92,000	
		Total Argentina	1.17%	6,074,015	3,356,791
<i>Brazil</i>					
BRL	4,295,000	Brazil Notas do Tesouro Nacional 10.00% 01/01/2027	1,167,744	1,255,341	
BRL	1,500,000	Brazil Notas do Tesouro Nacional 10.00% 01/01/2029	467,085	450,098	
	1,070,000	Brazilian Government International Bond Sr Unsecured 5.00% 01/27/2045	906,024	1,111,516	
		Total Brazil	0.98%	2,540,853	2,816,955
<i>Canada</i>					
CAD	12,680,000	Canadian Government Bond 1.75% 05/01/2020	9,647,596	9,764,738	
		Total Canada	3.39%	9,647,596	9,764,738
<i>Costa Rica</i>					
	590,000	Costa Rica Government International Bond Sr Unsecured 144A 6.13% 02/19/2031	584,594	627,612	
	250,000	Costa Rica Government International Bond Sr Unsecured 144A 7.16% 03/12/2045	247,317	266,250	
		Total Costa Rica	0.31%	831,911	893,862
<i>Ecuador</i>					
	270,000	Ecuador Government International Bond Sr Unsecured 144A 8.75% 06/02/2023	259,686	265,950	
	320,000	Ecuador Government International Bond Sr Unsecured 144A 9.63% 06/02/2027	297,899	301,600	
	350,000	Ecuador Government International Bond Sr Unsecured 144A 10.75% 01/31/2029	350,000	341,250	
	450,000	Ecuador Government International Bond Sr Unsecured REGS 7.95% 06/20/2024	442,357	426,375	
		Total Ecuador	0.46%	1,349,942	1,335,175

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2019

Principal Amount†		Cost	Fair Value		
<i>Egypt</i>					
\$	410,000	Egypt Government International Bond Sr Unsecured 144A 7.60% 03/01/2029	\$ 410,000	\$ 448,265	
EGP	40,725,000	Egypt Treasury Bills —% 02/11/2020	2,398,201	2,499,846	
EGP	11,000,000	Egypt Treasury Bills —% 03/17/2020	638,572	665,343	
		Total Egypt	1.25%	3,446,773	3,613,454
<i>Ghana</i>					
	500,000	Ghana Government International Bond Sr Unsecured 144A 7.63% 05/16/2029	485,576	509,175	
	300,000	Ghana Government International Bond Sr Unsecured 144A 8.13% 03/26/2032	299,959	305,282	
	210,000	Ghana Government International Bond Sr Unsecured REGS 8.13% 01/18/2026	214,454	226,157	
	340,000	Ghana Government International Bond Sr Unsecured REGS 8.13% 01/18/2026	338,365	366,160	
		Total Ghana	0.49%	1,338,354	1,406,774
<i>Indonesia</i>					
	930,000	Indonesia Government International Bond Sr Unsecured 3.50% 01/11/2028	967,550	970,726	
	2,140,000	Indonesia Government International Bond Sr Unsecured REGS 5.25% 01/17/2042	2,147,852	2,574,133	
IDR	1,000,000,000	Indonesia Treasury Bond Sr Unsecured 7.00% 05/15/2022	74,032	73,330	
IDR	84,033,000,000	Indonesia Treasury Bond Sr Unsecured 7.00% 05/15/2027	5,741,851	6,029,419	
IDR	10,940,000,000	Indonesia Treasury Bond Sr Unsecured 8.38% 09/15/2026	903,545	847,488	
IDR	342,000,000	Indonesia Treasury Bond Sr Unsecured 8.38% 03/15/2034	28,254	26,360	
		Total Indonesia	3.65%	9,863,084	10,521,456
<i>Kazakhstan</i>					
	360,000	Kazakhstan Government International Bond Sr Unsecured MTN, REGS 5.13% 07/21/2025	378,968	413,421	
	410,000	Kazakhstan Government International Bond Sr Unsecured REGS 5.13% 07/21/2025	409,040	470,841	
		Total Kazakhstan	0.31%	788,008	884,262
<i>Kenya</i>					
	370,000	Kenya Government International Bond Sr Unsecured 144A 7.00% 05/22/2027	370,000	393,715	
		Total Kenya	0.14%	370,000	393,715
<i>Kuwait</i>					
	920,000	Kuwait International Government Bond Sr Unsecured 144A 3.50% 03/20/2027	912,334	988,669	
		Total Kuwait	0.34%	912,334	988,669
<i>Mexico</i>					
	240,000	Mexico Government International Bond Sr Unsecured 3.60% 01/30/2025	242,625	250,985	
	1,090,000	Mexico Government International Bond Sr Unsecured MTN 4.75% 03/08/2044	1,011,457	1,204,450	
		Total Mexico	0.51%	1,254,082	1,455,435
<i>Qatar</i>					
	380,000	Qatar Government International Bond Sr Unsecured 144A 4.82% 03/14/2049	380,000	470,250	
	840,000	Qatar Government International Bond Sr Unsecured 144A 5.10% 04/23/2048	880,588	1,078,639	
		Total Qatar	0.54%	1,260,588	1,548,889
<i>Russia</i>					
RUB	426,848,000	Russian Federal Bond - OFZ 7.05% 01/19/2028	6,371,969	7,261,050	
		Total Russia	2.52%	6,371,969	7,261,050

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Western Asset Income CIF (Continued)
December 31, 2019

Principal Amount†		Cost	Fair Value
<i>Senegal</i>			
\$ 240,000	Senegal Government International Bond Sr Unsecured 144A 6.75% 03/13/2048	\$ 206,863	\$ 241,279
500,000	Senegal Government International Bond Unsecured 144A 6.25% 05/23/2033	442,068	525,233
	Total Senegal	0.27% <u>648,931</u>	<u>766,512</u>
<i>United Arab Emirates</i>			
1,430,000	Abu Dhabi Government International Bond Sr Unsecured 144A 2.13% 09/30/2024	1,423,141	1,425,066
960,000	Abu Dhabi Government International Bond Sr Unsecured 144A 4.13% 10/11/2047	911,038	1,116,000
	Total United Arab Emirates	0.88% <u>2,334,179</u>	<u>2,541,066</u>
	Total Foreign Government	17.21% <u>49,032,619</u>	<u>49,548,803</u>
<i>Asset-backed Securities</i>			
500,000	Aegis Asset Backed Securities Trust Series 2005-5, Class M1 2.22% 12/25/2035	489,532	484,099
850,000	American Tower Trust #1 Series 13, Class 2A, 144A 3.07% 03/15/2048	829,013	861,143
500,000	Ares XXXIV CLO Ltd. Series 2015-2A, Class BR, 144A 3.43% 07/29/2026	499,433	498,367
293,836	Argent Securities, Inc. Series 2003-W6, Class AV1 2.65% 01/25/2034	255,767	287,718
500,000	Avis Budget Rental Car Funding AESOP LLC Series 2019-3A, Class C, 144A 3.15% 03/20/2026	499,971	494,482
431,798	Bear Stearns Asset-Backed Securities Trust Series 2002-1, Class 2A 2.43% 12/25/2034	413,058	427,180
280,000	BlueMountain CLO Ltd. Series 2012-2A, Class AR2, 144A 2.95% 11/20/2028	279,610	279,999
700,000	BlueMountain CLO Ltd. Series 2015-2A, Class CR, 144A 4.05% 07/18/2027	698,382	689,476
250,000	California Street CLO IX L.P. Series 2012-9A, Class AR2, 144A 3.60% 07/16/2032	250,000	249,176
250,000	California Street CLO IX L.P. Series 2012-9A, Class D2R2, 144A 6.38% 07/16/2032	243,540	251,332
920,000	Carlyle Global Market Strategies CLO Ltd. Series 2014-2RA, Class A1, 144A 2.96% 05/15/2031	912,033	915,805
700,000	Carlyle US CLO Ltd. Series 2017-2A, Class A2A, 144A 3.67% 07/20/2031	697,928	693,909
950,000	Catskill Park CLO Ltd. Series 2017-1A, Class A2, 144A 3.67% 04/20/2029	949,555	950,018
750,000	Cumberland Park CLO Ltd. Series 2015-2A, Class DR, 144A 4.67% 07/20/2028	743,924	746,714
131,858	CWHEQ Revolving Home Equity Loan Trust Series 2007-A, Class A 1.86% 04/15/2037	118,364	125,660
310,507	Ellington Loan Acquisition Trust Series 2007-2, Class A2C, 144A 2.89% 05/25/2037	312,039	310,825
312,232	First Franklin Mortgage Loan Trust Series 2004-FF7, Class M1 2.66% 09/25/2034	308,246	312,594
410,000	Flatiron Clo 17 Ltd. Series 2017-1A, Class A, 144A 3.16% 05/15/2030	409,615	409,993
734,942	GSA Trust Series 2006-2, Class 1A2 2.33% 12/25/2035	698,300	708,055
328,517	GSAMP Trust Series 2003-HE2, Class A3C 2.83% 08/25/2033	317,166	326,211
800,000	Hertz Vehicle Financing II L.P. Series 2018-1A, Class A, 144A 3.29% 02/25/2024	780,752	818,748
500,000	Jackson Mill CLO Ltd. Series 2015-1A, Class DR, 144A 4.80% 04/15/2027	496,072	476,256
250,000	Jay Park CLO Ltd. Series 2016-1A, Class CR, 144A 4.62% 10/20/2027	248,030	239,925
300,000	KKR CLO 11 Ltd. Series 11, Class AR, 144A 3.18% 01/15/2031	299,434	298,345
530,000	KKR CLO 16 Ltd. Series 16, Class A1R, 144A 3.22% 01/20/2029	530,000	529,994
250,000	KKR CLO 16 Ltd. Series 16, Class A2R, 144A 3.77% 01/20/2029	250,000	249,546
750,000	KKR CLO 16 Ltd. Series 16, Class CR, 144A 5.47% 01/20/2029	750,000	739,905
1,509,438	Legacy Mortgage Asset Trust Series 2018-GS2, Class A1, 144A 4.00% 04/25/2058	1,506,405	1,523,409
682,888	Long Beach Mortgage Loan Trust Series 2004-4, Class M1 2.69% 10/25/2034	681,617	681,618
580,000	Madison Park Funding XXVI Ltd. Series 2007-4A, Class AR, 144A 3.13% 07/29/2030	579,455	580,024
400,000	Madison Park Funding XXX Ltd. Series 2018-30A, Class C, 144A 3.70% 04/15/2029	393,057	389,731
700,000	Madison Park Funding XXX Ltd. Series 2018-30A, Class D, 144A 4.50% 04/15/2029	689,740	669,728
270,000	Marathon CLO 14 Ltd. Series 2019-2A, Class BA, 144A 5.23% 01/20/2033	265,961	265,950
147,608	Merrill Lynch Mortgage Investors Trust Series 2004-OPT1, Class A1A 2.31% 06/25/2035	147,195	147,320
880,000	Merrill Lynch Mortgage Investors Trust Series 2006-FF1, Class M5 2.18% 08/25/2036	833,792	874,487
750,000	Midocean Credit Clo VII Series 2017-7A, Class D, 144A 5.88% 07/15/2029	749,125	733,764
768,430	Mill City Solar Loan Ltd. Series 2019-1A, Class A, 144A 4.34% 03/20/2043	768,143	795,084
792,114	Mosaic Solar Loan Trust Series 2018-2GS, Class A, 144A 4.20% 02/22/2044	791,993	812,547
750,000	New Century Home Equity Loan Trust Series 2005-4, Class M4 2.42% 09/25/2035	543,166	744,918
600,000	Oaktree CLO Ltd. Series 2019-1A, Class D, 144A 5.75% 04/22/2030	600,000	569,181
1,600,000	Octagon Investment Partners 35 Ltd. Series 2018-1A, Class C, 144A 4.57% 01/20/2031	1,542,369	1,518,598
250,000	OHA Loan Funding 2015-1 Ltd. Series 2015-1A, Class DR2, 144A 5.85% 11/15/2032	250,000	250,000

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Principal Amount†		Cost	Fair Value
<u>Asset-backed Securities (Continued)</u>			
\$	500,000 OZLM VII Ltd. Series 2014-7RA, Class A2R, 144A 3.60% 07/17/2029	\$ 496,946	\$ 495,738
	350,000 OZLM XVI Ltd. Series 2017-16A, Class C, 144A 5.45% 05/16/2030	348,761	345,432
	300,000 PPM CLO 3 Ltd. Series 2019-3A, Class A, 144A 3.40% 07/17/2030	300,000	300,426
	128,614 SBA Small Business Investment Cos. Series 2017-10A, Class 1 2.85% 03/10/2027	128,614	130,387
	580,000 Sound Point CLO XXIII Series 2019-2A, Class A1, 144A 3.40% 04/15/2032	580,000	577,301
	385,549 Structured Asset Investment Loan Trust Series 2005-HE3, Class M1 2.51% 09/25/2035	362,864	384,571
	878,433 SUNNOVA HELIOS II ISSUER LLC Series 2018-1A, Class A, 144A 4.87% 07/20/2048	884,029	918,684
	510,000 Sunrun Atlas Issuer 2019-2 LLC Series 2019-2, Class A, 144A 3.61% 02/01/2055	509,755	504,860
	750,000 Symphony CLO XIX Ltd. Series 2018-19A, Class A, 144A 2.96% 04/16/2031	742,553	740,265
	250,000 TCI-Symphony CLO 2016-1 Ltd. Series 2016-1A, Class DR, 144A 5.00% 10/13/2029	248,831	245,073
	250,000 Treman Park CLO Ltd. Series 2015-1A, Class DRR, 144A 4.62% 10/20/2028	247,388	245,626
	560,000 Venture 31 CLO Ltd. Series 2018-31A, Class A1, 144A 3.00% 04/20/2031	553,241	552,704
	600,000 Voya CLO 2014-2 Ltd. Series 2014-2A, Class CR, 144A 5.55% 04/17/2030	600,000	584,617
	650,000 Voya CLO 2017-2 Series 2017-2A, Class A2A, 144A 3.71% 06/07/2030	650,183	644,188
	Total Asset-backed Securities	10.63% 30,274,947	30,601,706
<u>Mortgage-backed Securities</u>			
	690,000 Bank Series 2019-BN23, Class A3 2.92% 12/15/2052	710,644	705,159
	710,000 Barclays Commercial Mortgage Trust Series 2019-C5, Class A4 3.06% 11/15/2052	731,216	733,101
	1,370,000 BX Commercial Mortgage Trust Series 2019-IMC, Class F, 144A 4.64% 04/15/2034	1,370,000	1,377,233
	1,350,000 BX Trust Series 2018-MCSF, Class A, 144A 2.32% 04/15/2035	1,326,297	1,341,536
	1,250,000 BX Trust Series 2019-OC11, Class E, 144A 4.08% 12/09/2041	1,211,179	1,208,743
	280,000 COMM Mortgage Trust Series 2014-UBS6, Class C 4.45% 12/10/2047	274,489	285,722
	1,000,000 CSAIL Commercial Mortgage Trust Series 2015-C4, Class C 4.58% 11/15/2048	999,740	1,053,921
	1,380,000 CSWF Series 2018-TOP, Class D, 144A 3.54% 08/15/2035	1,384,632	1,379,994
	2,331,710 Federal National Mortgage Association 3.50% 02/01/2047	2,355,480	2,432,968
	430,000 GS Mortgage Securities Trust Series 2016-GS3, Class C 3.99% 10/10/2049	426,571	443,950
	301,499 LB-UBS Commercial Mortgage Trust Series 2006-C6, Class AJ 5.45% 09/15/2039	265,157	160,531
	1,340,000 RETL Series 2019-RVP, Class C, 144A 3.84% 03/15/2036	1,340,000	1,343,352
	1,010,000 Rosslyn Portfolio Trust Series 2017-ROSS, Class A, 144A 2.69% 06/15/2033	1,006,484	1,009,367
	850,584 Tharaldson Hotel Portfolio Trust Series 2018-THL, Class D, 144A 3.71% 11/11/2034	856,417	851,633
	1,900,000 Wells Fargo Commercial Mortgage Trust Series 2014-LC16, Class C 4.46% 08/15/2050	1,885,213	1,912,811
	400,000 WFRBS Commercial Mortgage Trust Series 2014-C20, Class C 4.51% 05/15/2047	399,944	402,921
	900,000 WFRBS Commercial Mortgage Trust Series 2014-C22, Class C 3.76% 09/15/2057	868,398	872,080
	Total Mortgage-backed Securities	6.09% 17,411,861	17,515,022
<u>U.S. Government and Agency Obligations</u>			
	280,000 U.S. Treasury Note	280,044	279,978
	230,000 U.S. Treasury Note	231,690	228,087
	260,000 United States Treasury Bond	256,713	252,931
	Total U.S. Government and Agency Obligations	0.26% 768,447	760,996
<u>Contracts</u>			
<u>Call Options Purchased</u>			
	2,920,000 Australian Dollar Futures, Call @ \$0.68 Merrill Lynch International .68% 01/07/2020	\$ 42,568	\$ 26
	4,300,000 Euro Currency Futures, Call @ \$1.11 Merrill Lynch International 1.11% 01/17/2020	36,335	1,905
76	United States Treasury 10-Year Notes Futures, Call @ \$128.50 Merrill Lynch International 128.50% 01/24/2020	54,256	35,625
	Total Call Options Purchased	0.01% 133,159	37,556

Hand Composite Employee Benefit Trust
Schedule of Investments (Continued)
Western Asset Income CIF (Continued)
December 31, 2019

Contracts	Cost	Fair Value
<i>Put Options Purchased</i>		
21 E-mini S&P 500 Index Futures, Put @ \$2,850.00 Merrill Lynch International 2850.00% 01/17/2020	\$ 14,482	\$ 1,418
873 E-mini S&P 500 Index Futures, Put @ \$2,865.00 Merrill Lynch International 2865.20% 01/24/2020	28,250	28,250
13 E-mini S&P 500 Index Futures, Put @ \$2,900.00 Merrill Lynch International 2900.00% 03/20/2020	14,002	11,700
51 E-mini S&P 500 Index Futures, Put @ \$2,950.00 Merrill Lynch International 2950.00% 01/17/2020	55,807	6,248
24 E-mini S&P 500 Index Futures, Put @ \$2,950.00 Merrill Lynch International 2950.00% 03/20/2020	28,850	26,700
17 E-mini S&P 500 Index Futures, Put @ \$3,000.00 Merrill Lynch International 3000.00% 02/21/2020	14,698	13,175
15 E-mini S&P 500 Index Futures, Put @ \$3,000.00 Merrill Lynch International 3000.00% 03/20/2020	24,969	20,812
18 E-mini S&P 500 Index Futures, Put @ \$3,050.00 Merrill Lynch International 3050.00% 02/21/2020	23,213	18,225
4,290,000 U.S. Dollar/British Pound, Put @ 1.31 GBP Merrill Lynch International 1.31% 03/20/2020	65,294	109,073
2,780,000 U.S. Dollar/Russian Ruble, Put @ 63.25 GBP Merrill Lynch International 63.25% 02/19/2020	20,572	55,772
Total Put Options Purchased	0.10% 290,137	291,373
Total Investments	100.00% \$ 280,022,944	\$ 287,839,792

† 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

Schedule of Written Options

Security	Expiration Date	Strike Price	Contracts	Value
Canadian Dollar/U.S. Dollar, Put	01/27/2020	\$ 1.28	3,230,000	\$ 5,100
E-mini S&P 500 Index Futures, Put	01/17/2020	2,800.00	19	998
E-mini S&P 500 Index Futures, Put	02/21/2020	2,850.00	18	6,300
E-mini S&P 500 Index Futures, Put	03/20/2020	2,800.00	15	8,625
U.S. Dollar/Australian Dollar, Call	02/14/2020	0.66	3,340,000	992
U.S. Dollar/Canadian Dollar, Call	01/02/2020	1.36	2,920,000	3
U.S. Dollar/Canadian Dollar, Call	02/03/2020	1.34	3,350,000	503
U.S. Dollar/Euro, Call	02/10/2020	1.09	4,300,000	1,251
U.S. Dollar/Euro, Call	02/14/2020	1.09	3,010,000	984
U.S. Dollar/Russian Ruble, Call	02/19/2020	66.65	2,780,000	2,749
United States Treasury 5-Year Notes Futures, Call	12/27/2019	130.00	15	-
Total Written Options (Premiums received - \$136,814)				<u>\$ 27,505</u>

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

	Western Asset Income CIF
Income	
Interest (net of foreign withholding taxes of \$125,284)	\$ 15,738,755
Dividends	36,153
Total income	15,774,908
Expenses	
Trustee and administrative	395,760
Class R1 expenses	49,696
Class R3 expenses	1,051,369
Total expenses	1,496,825
Net Investment Income	14,278,083
Net Realized Gains (Losses) on Investments, Written Options, Futures Contracts, Swap Contracts and Foreign Currency	
Net realized gains on investments	333,259
Net realized gains on written options	839,806
Net realized gains on futures contracts	2,278,740
Net realized losses on swap contracts	(1,764,692)
Net realized losses on foreign currency transactions	(141,801)
Net realized gains on foreign currency forward exchange contracts	1,520,459
Net realized gains	3,065,771
Change in Net Unrealized Appreciation (Depreciation)	
Investments	16,157,442
Written options	61,379
Futures contracts	(1,030,876)
Swap contracts	500,239
Foreign currencies	63,416
Foreign currency forward exchange contracts	(1,102,735)
Change in net unrealized appreciation	14,648,865
Net realized and unrealized gains on investments, written options, futures contracts, swap contracts and foreign currency	17,714,636
Net Increase in Net Assets Resulting From Operations	\$ 31,992,719

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

	Western Asset Income CIF
Operations	
Net investment income	\$ 14,278,083
Net realized gains	3,065,771
Change in net unrealized appreciation	14,648,865
Net increase in net assets from operations	31,992,719
Net Increase in Net Assets From Participant Unit Transactions	8,796,483
Increase in Net Assets	40,789,202
Net Assets	
Beginning of year	249,966,286
End of year	\$ 290,755,488

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

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

Nature of Operations

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

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.

Foreign Currency

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

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

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.

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

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

involve market risk, credit risk or both kinds of risks in excess of the amount recognized in the statement of assets and liabilities. Risks arise from the possible inability of counterparties to meet the terms of their contracts and movement in currency and securities values and interest rates.

Written Options

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

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

Purchased Options

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

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

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

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, 2019, the total notional value of all credit default swaps to sell protection was \$1,050,000. This amount would be offset by the value of the swap's reference entity, upfront premiums received on the swap and any amounts received from the settlement of a credit default swap where the Fund bought protection for the same referenced security/entity for a notional value of \$6,067,400.

For average notional amounts of swaps held during the year ended December 31, 2019, see Note 11.

Credit Default Swaps

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

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Notes to Financial Statements

December 31, 2019

protection and a credit event occurs, as defined under the terms of that particular swap agreement, the maximum potential amount of future payments (undiscounted) that the Fund could be required to make under a credit default swap agreement would be an amount equal to the notional amount of the agreement. These amounts of potential payments will be partially offset by any recovery of values from the respective referenced obligations. As a seller of protection, the Fund effectively adds leverage to its portfolio because, in addition to its total net assets, the Fund is subject to investment exposure on the notional amount of the swap. As a buyer of protection, the Fund generally receives an amount up to the notional value of the swap if a credit event occurs.

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

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

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

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

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Notes to Financial Statements

December 31, 2019

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.

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.

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

Subsequent Events

As a result of the spread of the COVID-19 coronavirus in 2020, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Fund. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

Subsequent events have been evaluated through May 22, 2020, which is the date the financial statements were available to be issued.

Investment Management Advisors

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

Note 2: Futures Contracts

At December 31, 2019, 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	03/20	\$ 427,484	\$ 422,109	\$ (5,375)
90-Day Eurodollar	55	06/20	13,387,786	13,517,625	129,839
Australian 10-Year Bonds	17	03/20	1,733,893	1,705,455	(28,438)
U.S. Treasury 2-Year Notes	412	03/20	88,901,102	88,786,000	(115,102)
U.S. Treasury 10-Year Notes	216	03/20	39,015,770	38,654,984	(360,786)
U.S. Treasury Ultra Long-Term Bonds	39	03/20	18,385,041	17,802,313	(582,728)
					<u>(962,590)</u>
Contracts to sell:					
30-Day Fed Funds	25	01/20	10,228,896	10,255,768	(26,872)
Euro-Bund	42	03/20	8,109,386	8,032,022	77,364
Euro-Buxl	1	03/20	227,973	222,523	5,450
U.S. Treasury 5-Year Notes	115	03/20	13,698,000	13,640,078	57,922
U.S. Treasury Long-Term Bonds	44	03/20	7,018,576	6,859,875	158,701
United Kingdom Long Gilt Bonds	6	03/20	1,055,629	1,044,156	11,473
					<u>284,038</u>
					<u>\$ (678,552)</u>

Hand Composite Employee Benefit Trust

Notes to Financial Statements

December 31, 2019

Note 3: Foreign Currency Forward Exchange Contracts

At December 31, 2019, the Fund had the following open forward foreign currency contracts:

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
AUD \$ 170,000	USD \$ 114,180	Barclays Bank PLC	01/17/2020	\$ 5,160
BRL 6,960,000	USD 1,649,563	Barclays Bank PLC	01/17/2020	79,814
EUR 700,000	USD 775,097	Barclays Bank PLC	01/17/2020	10,777
INR 85,780,886	USD 1,197,430	Barclays Bank PLC	01/17/2020	2,711
JPY 374,773,631	USD 3,525,722	Barclays Bank PLC	01/17/2020	(74,530)
MXN 53,908,111	USD 2,687,973	Barclays Bank PLC	01/17/2020	157,466
USD 142,099	AUD 210,000	Barclays Bank PLC	01/17/2020	(5,320)
USD 135,732	AUD 200,000	Barclays Bank PLC	01/17/2020	(4,668)
USD 128,926	AUD 190,000	Barclays Bank PLC	01/17/2020	(4,455)
USD 135,607	AUD 200,000	Barclays Bank PLC	01/17/2020	(4,793)
USD 20,473	COP 71,842,500	Barclays Bank PLC	01/17/2020	(1,370)
USD 542,782	EUR 490,000	Barclays Bank PLC	01/17/2020	(7,330)
USD 677,518	IDR 9,757,614,910	Barclays Bank PLC	01/17/2020	(24,474)
USD 1,566,757	IDR 22,001,970,000	Barclays Bank PLC	01/17/2020	(16,130)
USD 1,893,536	JPY 203,497,939	Barclays Bank PLC	01/17/2020	19,576
USD 479,920	JPY 52,460,000	Barclays Bank PLC	01/17/2020	(3,170)
USD 252,557	PHP 12,780,000	Barclays Bank PLC	01/17/2020	299
USD 1,110	PLN 4,440	Barclays Bank PLC	01/17/2020	(60)
USD 1,679,197	RUB 105,570,000	Barclays Bank PLC	01/17/2020	(20,084)
EUR 1,952,200	USD 2,185,625	Barclays Bank PLC	01/21/2020	6,608
USD 866,839	EUR 782,600	Barclays Bank PLC	01/21/2020	(11,985)
AUD 1,073,571	USD 729,219	Barclays Bank PLC	02/18/2020	25,022
EUR 645,000	USD 715,024	Barclays Bank PLC	02/18/2020	10,545
USD 667,000	CAD 886,850	BNP Paribas	01/03/2020	(15,959)
RUB 189,303,880	USD 2,944,943	BNP Paribas	01/17/2020	102,139
USD 253,685	EUR 229,541	BNP Paribas	01/17/2020	(4,015)
USD 714,512	EUR 645,000	BNP Paribas	02/18/2020	(11,058)
CAD 886,850	USD 674,713	Citibank, N.A.	01/03/2020	8,246
AUD 190,000	USD 127,580	Citibank, N.A.	01/17/2020	5,801
BRL 2,541,750	USD 605,683	Citibank, N.A.	01/17/2020	25,875
CAD 970,860	USD 730,560	Citibank, N.A.	01/17/2020	17,156
EUR 42,470	USD 46,968	Citibank, N.A.	01/17/2020	712
EUR 120,000	USD 134,292	Citibank, N.A.	01/17/2020	429
EUR 1,872,000	USD 2,100,964	Citibank, N.A.	01/17/2020	686
GBP 76,324	USD 93,621	Citibank, N.A.	01/17/2020	7,518
USD 4,169,687	AUD 6,203,987	Citibank, N.A.	01/17/2020	(185,527)
USD 600,279	AUD 870,000	Citibank, N.A.	01/17/2020	(10,463)
USD 935,789	BRL 3,912,720	Citibank, N.A.	01/17/2020	(36,419)
USD 10,054,244	CAD 13,265,066	Citibank, N.A.	01/17/2020	(161,951)
USD 674,769	CAD 886,850	Citibank, N.A.	01/17/2020	(8,246)
USD 573,825	EUR 520,000	Citibank, N.A.	01/17/2020	(9,967)

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December 31, 2019

Currency Purchased	Currency Sold	Counterparty	Settlement Date	Unrealized Appreciation (Depreciation)
USD \$ 664,076	EUR \$ 600,000	Citibank, N.A.	01/17/2020	\$ (9,530)
USD 929,293	EUR 830,000	Citibank, N.A.	01/17/2020	(2,529)
USD 413,329	JPY 43,790,000	Citibank, N.A.	01/17/2020	10,079
USD 77,258	MXN 1,500,000	Citibank, N.A.	01/17/2020	(1,916)
USD 91,992	MXN 1,760,000	Citibank, N.A.	01/17/2020	(907)
USD 3,565,757	RUB 231,478,250	Citibank, N.A.	01/17/2020	(160,174)
USD 10,340	SEK 100,000	Citibank, N.A.	01/17/2020	(344)
USD 14,435	TRY 84,680	Citibank, N.A.	01/17/2020	255
USD 294	ZAR 4,514	Citibank, N.A.	01/17/2020	(28)
USD 774,990	CAD 1,012,070	Citibank, N.A.	01/28/2020	(4,501)
EUR 946,000	USD 1,049,100	Citibank, N.A.	02/12/2020	14,670
USD 1,048,859	EUR 946,000	Citibank, N.A.	02/12/2020	(14,911)
USD 934,727	EUR 840,950	Citibank, N.A.	02/20/2020	(11,389)
USD 729,062	AUD 1,073,571	Goldman Sachs International	02/18/2020	(25,179)
AUD 1,960,571	USD 1,330,247	JPMorgan Chase Bank, N.A.	01/09/2020	45,802
CAD 1,620,000	USD 1,229,362	JPMorgan Chase Bank, N.A.	01/17/2020	18,293
CAD 1,650,000	USD 1,253,982	JPMorgan Chase Bank, N.A.	01/17/2020	16,778
EUR 880,000	USD 976,395	JPMorgan Chase Bank, N.A.	01/17/2020	11,560
JPY 80,736,329	USD 748,184	JPMorgan Chase Bank, N.A.	01/17/2020	(4,705)
PHP 12,779,000	USD 243,628	JPMorgan Chase Bank, N.A.	01/17/2020	8,611
TWD 374,700	USD 12,180	JPMorgan Chase Bank, N.A.	01/17/2020	329
USD 4,979,582	EUR 4,488,536	JPMorgan Chase Bank, N.A.	01/17/2020	(59,592)
CAD 1,012,070	USD 775,200	JPMorgan Chase Bank, N.A.	01/28/2020	4,291
USD 1,403,900	RUB 90,544,531	JPMorgan Chase Bank, N.A.	02/20/2020	(47,571)
USD 746,571	CAD 982,876	Morgan Stanley & Co. International PLC	02/04/2020	(10,456)
Total				<u>\$ (358,498)</u>

Abbreviations used in this table:

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

Note 4: Swap Contracts

At December 31, 2019, 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	Unrealized Appreciation (Depreciation)
Chicago Mercantile Exchange	\$ 211,305,600	MXN 07/17/24	28-day MXN TIE-Banxico every 28 days	7.200% every 28 days	\$ -	\$ 270,095
Chicago Mercantile Exchange	21,663,000	06/30/26	1.550% semi-annually	3-month LIBOR- quarterly	79,329	223,885
Chicago Mercantile Exchange	3,404,000	05/15/44	2.875% semi-annually	3-month LIBOR- quarterly	15,543	(542,674)
Chicago Mercantile Exchange	3,880,000	MXN 11/15/44	1.85% semi-annually	3-month LIBOR- quarterly	7,589	178,948
Goldman Sachs International	29,840,000	MXN 07/18/29	28-day MXN TIE-Banxico every 28 days	7.450% every 28 days	12,054	62,878
Goldman Sachs International	31,050,000	MXN 07/20/29	28-day MXN TIE-Banxico every 28 days	7.440% every 28 days	15,210	61,558
Chicago Mercantile Exchange	78,200	EUR 08/23/47	1.498% annually	6-month Euribor Reuters semi-annually	57	(20,123)
Total					<u>\$ 129,782</u>	<u>\$ 234,567</u>

Centrally Cleared Credit Default Swaps on Credit Indices - Buy Protection⁴

Central Counterparty (Reference Entity)	Notional Amount ²	Termination Date	Periodic Payments Received by the Fund†	Market Value ³	Upfront Premiums Received	Unrealized Depreciation
Goldman Sachs International (Markit.CDX.NA.HY.29 Index)	\$ 5,207,400	12/20/24	5.000% quarterly	\$ (501,797)	\$ (308,130)	\$ (193,667)

OTC Credit Default Swaps on Corporate Issues - Sell Protection¹

Swap Counterparty	Notional Amount ²	Termination Date	Periodic Payments Made by the Fund†	Market Value ³	Upfront Premiums Paid	Unrealized Appreciation
Morgan Stanley & Co. International PLC	\$ 1,050,000	EUR 12/20/24	1.000% quarterly	\$ 14,920	\$ 13,094	\$ 1,826

OTC Credit Default Swaps on Corporate Issues - Buy Protection⁴

Swap Counterparty	Notional Amount ²	Termination Date	Periodic Payments Received by the Fund†	Market Value ³	Upfront Premiums Received	Unrealized Depreciation
Deutsche Bank AG	\$ 860,000	06/20/23	1.000% quarterly	\$ (26,251)	\$ (22,761)	\$ (3,490)

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OTC Credit Default Swaps on Credit Indices - Buy Protection¹

Swap Counterparty	Notional Amount ²	Termination Date	Periodic Payments Made by the Fund†	Market Value ³	Upfront Premiums Paid	Unrealized Appreciation
State Street Bank & Trust Co.	1,050,000	EUR 12/20/24	1.000% quarterly	\$ (28,500)	\$ (27,159)	\$ (1,341)

OTC Interest Rate Swaps

Swap Counterparty	Notional Amount*	Termination Date	Periodic Payments Received by the Fund†	Periodic Payments Made by the Fund†	Upfront Premiums Received	Unrealized Appreciation
Citigroup Financial Products Inc.	\$ 3,799,000	BRL 01/04/27	1 Time BRL-CDI	1 Time 7.024%	\$ 2,199	\$ 21,347
Citigroup Financial Products Inc.	3,500,000	BRL 01/04/27	1 Time BRL-CDI	1 Time 7.024%	1,750	19,943
Citigroup Financial Products Inc.	3,000,000	BRL 01/04/27	1 Time BRL-CDI	1 Time 7.024%	-	18,594
JPMorgan Chase Bank, N.A.	12,270,000	BRL 01/04/27	1 Time BRL-CDI	1 Time 6.870%	-	89,023
JPMorgan Chase Bank, N.A.	2,400,000	BRL 01/04/27	1 Time BRL-CDI	1 Time 7.044%	-	15,419
Total					\$ 3,949	\$ 164,326

Abbreviations used in this table:

BRL Brazil Real
 EUR Euro
 MXN Mexican Peso

- (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.

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Note 5: Written Options Rollforward

During the year ended December 31, 2019, written option transactions for the Fund were as follows:

	Number of Contracts/ Notional Amount	Premiums
Written options, outstanding as of December 31, 2018:	\$ 7,300,074	\$ 96,312
Options written	86,927,934	898,799
Options closed	(5,740,240)	(105,771)
Options expired	<u>(65,557,701)</u>	<u>(752,526)</u>
Written options, outstanding as of December 31, 2019	<u>\$ 22,930,067</u>	<u>\$ 136,814</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.

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%
Class R-LM	0.04%	0.00%	0.10%	0.14%

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Note 7: Financial Highlights

	Western Asset Income CIF		
	Class R1	Class R3	Class R-LM ⁽¹⁾
Net asset value, beginning of period	\$ 10.71	\$ 10.72	\$ 11.30
Net investment income	0.59	0.60	0.49
Net realized and unrealized gains	0.75	0.75	0.31
Net increase from investment operations	1.34	1.35	0.80
Net asset value, end of period	\$ 12.05	\$ 12.07	\$ 12.10
Total return	12.51%	12.59%	7.08%
Ratio to average net assets:			
Net investment income	5.16%	5.21%	5.72% ⁽²⁾
Expenses without reimbursement	0.59%	0.54%	0.15% ⁽²⁾

⁽¹⁾ For the period April 4, 2019 (inception date) to December 31, 2019

⁽²⁾ Annualized

Note 8: Participant Unit Transactions

	Western Asset Western Asset Income CIF	
	Units	Dollars
Class R3:		
Proceeds from sales of units	2,168,573	\$ 24,876,802
Cost of units redeemed	(1,432,669)	(16,490,577)
Net change in Class R3 from participant transactions	735,904	8,386,225
Class R-LM⁽¹⁾:		
Proceeds from sales of units	35,926	410,294
Cost of units redeemed	(3)	(36)
Net change in Class R-LM from participant transactions	35,923	410,258
Net increase in net assets from participant transactions		\$ 8,796,483

⁽¹⁾ For the period April 4, 2019 (inception date) to December 31, 2019

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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.

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, 2019.

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

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

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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, Convertible Bonds 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.

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.

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Foreign Currency Forward Exchange 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.

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, 2019.

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	Fair Value Measurements Using			
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Western Asset Income CIF				
Financial Instruments - Assets:				
Short Term Investment	\$ 998,818	\$ 998,818	\$ -	\$ -
Common Stocks	191,362	191,362	-	-
Preferred Stocks	371,816	371,816	-	-
Collateralized Mortgage Obligations	15,824,009	-	15,824,009	-
Convertible Bonds	1,529,634	-	1,529,634	-
Corporate Bonds	118,735,016	-	118,735,016	-
Floating Rate Loans	51,433,681	-	51,433,681	-
Foreign Government	49,548,803	-	49,548,803	-
Asset-backed Securities	30,601,706	-	30,601,706	-
Mortgage-backed Securities	17,515,022	-	17,515,022	-
U.S. Government and Agency Obligations	760,996	-	760,996	-
Call Options Purchased	37,556	35,625	1,931	-
Put Options Purchased	291,373	126,528	164,845	-
Total Financial Instruments - Assets	<u>\$ 287,839,792</u>	<u>\$ 1,724,149</u>	<u>\$ 286,115,643</u>	<u>\$ 0</u>
Derivative Instruments - Assets:				
Futures Contracts	\$ 440,749	\$ 440,749	\$ -	\$ -
Foreign Currency Exchange Contracts	617,208	-	617,208	-
OTC Interest Rate Swaps	168,275	-	168,275	-
Centrally Cleared Interest Rate Swaps	797,364	-	797,364	-
OTC Credit Default Swaps on Corporate Issues - Sell Protection	14,920	-	14,920	-
Total Derivative Instruments - Assets	<u>\$ 2,038,516</u>	<u>\$ 440,749</u>	<u>\$ 1,597,767</u>	<u>\$ 0</u>
Derivative Instruments - Liabilities:				
Written Options	\$ 27,505	\$ 15,923	\$ 11,582	\$ -
Futures Contracts	1,119,301	1,119,301	-	-
Foreign Currency Exchange Contracts	975,706	-	975,706	-
Centrally Cleared Interest Rate Swaps	562,797	-	562,797	-
Centrally Cleared Credit Default Swaps on Credit Indices - Buy Protection	193,667	-	193,667	-
OTC Credit Default Swaps on Corporate Issues - Buy Protection	26,251	-	26,251	-
OTC Credit Default Swaps on Credit Indices - Buy Protection	28,500	-	28,500	-
Total Liabilities	<u>\$ 2,933,727</u>	<u>\$ 1,135,224</u>	<u>\$ 1,798,503</u>	<u>\$ 0</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, provides information about the fair value and the location of derivatives within the statement of assets and liabilities at December 31, 2019.

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	Asset Derivatives ⁽¹⁾				
	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Equity Risk	Total
Purchased options ⁽²⁾	\$ 35,625	\$ 166,776	\$ -	\$ 126,528	\$ 328,929
Futures contracts ⁽³⁾	440,749	-	-	-	440,749
OTC swap contracts ⁽⁴⁾	168,275	-	14,920	-	183,195
Centrally cleared swap contracts ⁽⁵⁾	797,364	-	-	-	797,364
Foreign currency exchange contracts	-	617,208	-	-	617,208
Total	<u>\$ 1,442,013</u>	<u>\$ 783,984</u>	<u>\$ 14,920</u>	<u>\$ 126,528</u>	<u>\$ 2,367,445</u>

	Liability Derivatives ⁽¹⁾				
	Interest Rate Risk	Foreign Exchange Risk	Credit Risk	Equity Risk	Total
Written Options	\$ -	\$ 11,582	\$ -	\$ 15,923	\$ 27,505
Futures contracts ⁽³⁾	1,119,301	-	-	-	1,119,301
OTC swap contracts ⁽⁴⁾	-	-	54,751	-	54,751
Centrally cleared swap contracts ⁽⁵⁾	562,797	-	193,667	-	756,464
Foreign currency exchange contracts	-	975,706	-	-	975,706
Total	<u>\$ 1,682,098</u>	<u>\$ 987,288</u>	<u>\$ 248,418</u>	<u>\$ 15,923</u>	<u>\$ 2,933,727</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, 2019. 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⁾	\$ (130,904)	\$ (505,764)	\$ (70,756)	\$ (1,013,507)	\$ (1,720,931)
Written options	128,535	432,988	-	278,283	839,806
Futures contracts	2,278,740	-	-	-	2,278,740
Swap contracts	(1,832,127)	-	67,435	-	(1,764,692)
Foreign currency exchange contracts	-	1,520,459	-	-	1,520,459
Total	<u>\$ 444,244</u>	<u>\$ 1,447,683</u>	<u>\$ (3,321)</u>	<u>\$ (735,224)</u>	<u>\$ 1,153,382</u>

⁽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⁾	\$ 85,386	\$ (840)	-	\$ (49,138)	\$ 35,408
Written options	21,201	41,115	-	(937)	61,379
Futures contracts	(1,030,876)	-	-	-	(1,030,876)
Swap contracts	653,563	-	(153,324)	-	500,239
Foreign currency exchange contracts	-	(1,102,735)	-	-	(1,102,735)
Total	<u>\$ (270,726)</u>	<u>\$ (1,062,460)</u>	<u>\$ (153,324)</u>	<u>\$ (50,075)</u>	<u>\$ (1,536,585)</u>

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

During the year ended December 31, 2019, the volume of derivative activity for the Fund was as follows:

	Average Market Value
Purchased options	\$ 297,703
Written options	88,589
Futures contracts (to buy)	92,582,347
Futures contracts (to sell)	56,401,709
Foreign currency exchange contracts (to buy)	22,839,935
Foreign currency exchange contracts (to sell)	38,637,932
	Average Notional Balance
Interest rate swap contracts	\$ 73,507,089
Credit default swap contracts (to buy protection)	5,198,090
Credit default swap contracts (to sell protection)	1,004,206

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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, 2019:

	Gross Amount of Derivative Assets in the Statement of Assets and Liabilities⁽¹⁾	Collateral Received^(4,5)	Net Amount
Purchased options ⁽²⁾	\$ 328,929	\$ -	\$ 328,929
Futures contracts ⁽³⁾			
OTC swap contracts	183,195	-	183,195
Centrally cleared swap contracts ⁽³⁾	70,069	(70,069)	-
Forward foreign currency contracts	617,208	-	617,208
Total	<u>\$ 1,199,401</u>	<u>\$ (70,069)</u>	<u>\$ 1,129,332</u>

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

	Gross Amount of Derivative Liabilities in the Statement of Assets and Liabilities⁽¹⁾	Collateral Pledged	Net Amount
Written options	\$ 27,505	\$ -	\$ 27,505
Futures contracts	676,618	-	676,618
OTC swap contracts	54,751	-	54,751
Centrally cleared swap contracts ⁽²⁾	676,618	-	676,618
Foreign currency exchange contracts	975,706	-	975,706
Total	<u>\$ 2,411,198</u>	<u>\$ 0</u>	<u>\$ 2,411,198</u>

- (1) Absent an event of default or early termination, derivative assets and liabilities are presented gross and not offset in the statement of assets and liabilities.
- (2) 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.

Supplemental Information

Hand Composite Employee Benefit Trust
Schedule of Investment Purchases and Sales
Western Asset Income CIF
Year Ended December 31, 2019

Purchases	
Investment Class	Cost
Floating Rate Loans	\$ 51,545,363
Collateralized Mortgage Obligations	13,811,059
Common Stocks	1,344,817
Preferred Stocks	937,500
Convertible Bonds	11,101,475
Corporate Bonds	76,624,363
Foreign Government	11,843,906
U.S. Government and Agency Obligations	23,980,790
Asset-backed Securities	<u>23,142,422</u>
Total Investments Purchased	<u>\$ 214,331,695</u>

Sales			
Investment Class	Proceeds	Cost	Gain (Loss)
Floating Rate Loans	\$ 20,839,862	\$ 21,000,340	\$ (160,478)
Collateralized Mortgage Obligations	2,732,372	2,692,891	39,481
Common Stocks	1,421,426	1,344,864	76,562
Preferred Stocks	658,854	650,000	8,854
Convertible Bonds	9,052,601	8,849,461	203,140
Corporate Bonds	76,992,904	74,959,838	2,033,066
Foreign Government	12,412,470	12,973,026	(560,556)
U.S. Government and Agency Obligations	39,462,601	39,123,833	338,768
Exchange-traded Funds	11,562,727	11,258,812	303,915
Asset-backed Securities	<u>2,535,781</u>	<u>2,486,381</u>	<u>49,400</u>
Total Investments Sold	<u>\$ 177,671,598</u>	<u>\$ 175,339,446</u>	<u>\$ 2,332,152</u>