



Hand Composite Employee Benefit Trust HB&T PR Stable Value Fund

**Independent Auditor's Report, Financial Statements,
and Supplementary Information**

December 31, 2025



Hand Composite Employee Benefit Trust
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December 31, 2025

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Independent Auditor's Report

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

Opinion

We have audited the financial statements of the selected fund, HB&T PR Stable Value Fund (Fund), included in the Hand Composite Employee Benefit Trust, which comprise the statement of assets and liabilities, including the schedule of investments, as of December 31, 2025, and the related statements of operations and changes in net assets for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the selected fund, included in the Hand Composite Employee Benefit Trust, as of December 31, 2025, and the results of its operations and the changes in its net assets for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of Hand Composite Employee Benefit Trust and the selected fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Hand Composite Employee Benefit Trust and the selected fund's ability to continue as a going concern within one year after the date that these financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Hand Composite Employee Benefit Trust and the selected fund's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Hand Composite Employee Benefit Trust and the selected fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the selected fund's financial statements. The schedule of investment purchases and sales listed in the table of contents is presented for purposes of additional analysis and is not a required part of the 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 GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Forvis Mazars, LLP

Houston, Texas
May 29, 2026

Hand Composite Employee Benefit Trust
Statement of Assets and Liabilities – Selected Fund
December 31, 2025

	HB&T PR Stable Value Fund
ASSETS	
Investments, at fair value	\$ 7,777,723
Security-backed contracts, at fair value	412,523,464
Receivable for Dividends and interest	<u>24,994</u>
Total Assets	<u>\$ 420,326,181</u>
LIABILITIES	
Management fee payable	\$ 33,758
Accounts payable and accrued liabilities	<u>28,905</u>
Total Liabilities	<u>\$ 62,663</u>
Total net assets held for participants, at fair value	\$ 420,263,518
Adjustment from fair value to contract value	<u>(8,715,246)</u>
Net assets held for participants Class R-INT	<u>\$ 411,548,272</u>
Units outstanding Class R-INT	<u>38,227,626</u>
Net asset value per unit Class R-INT	<u>\$ 10.77</u>

**Hand Composite Employee Benefit Trust
HB&T PR Stable Value Fund
Schedule of Investments
December 31, 2025**

<u>Number of Shares</u>	<u>Short Term Investment</u>	<u>% of Net Assets</u>	<u>Cost</u>	<u>Fair Value</u>				
7,777,723	State Street Institutional U.S. Government Money Market Fund 3.70%		\$ 7,777,723	\$ 7,777,723				
	Total Short Term Investment	1.89%	<u>7,777,723</u>	<u>7,777,723</u>				
	<u>Name of Issuer</u>	<u>% of Net Assets</u>	<u>Contract Issues Moody's/ S&P</u>	<u>Cost</u>	<u>Fair Value</u>	<u>Wrapper Contracts at Fair Value^(B)</u>	<u>Adjustment to Contract Value</u>	<u>Contract Value^(A)</u>
	<u>Security-Backed Contracts^(C)</u>							
	American General Life Insurance Co. 5.01% ^(D)	14.65%	A2/A+			\$ -	\$ (1,342,621)	\$ 60,272,415
	Mass Mutual Life Insurance Co. 4.97% ^(D)	20.87%	Aa3/AA+			-	(1,844,861)	85,882,246
	Prudential Insurance Co. of America 4.97% ^(D)	20.87%	Aa3/AA-			-	(1,844,861)	85,882,246
	Royal Bank of Canada 4.99% ^(D)	20.87%	Aa1/AA-			-	(1,838,042)	85,889,065
	Voya Retirement Insurance & Annuity Co. 4.97% ^(D)	20.87%	A2/A+			-	(1,844,861)	85,882,246
	Galliard Intermediate Core Fund L			\$ 223,980,000	\$ 247,053,852			
	Galliard Short Core Fund F			152,505,825	165,469,612			
	Total Securities				<u>412,523,464</u>			
	Total Investments in Underlying Security-Backed Contracts				<u>\$ 412,523,464</u>	<u>\$ -</u>	<u>\$ (8,715,246)</u>	<u>\$ 403,808,218</u>

(A) The Moody's Investors Service (Moody's) and Standard and Poor's (S & P) ratings are current assessments of the contract issuer's overall financial capacity (its creditworthiness) to pay its financial obligations. Ratings shown for security-backed contracts are assessments on the issuer of the contract wrapper and not the underlying securities.

(B) Investments and wrapper contracts are valued by procedures described in Note 6 to the financial statements.

(C) A security-backed contract has similar characteristics to a traditional investment contract and is comprised of two parts: the first part is a fixed income portfolio of fixed income securities; the second part is a contract value liquidity agreement (wrapper) provided by a third party (indicated in BOLD on schedule). Wrappers provide for contract value payments for participant-initiated withdrawals and transfers, a floor crediting rate, and return of fully accrued contract value at maturity. The contract rate of a security-backed contract is based on actual yields of the underlying securities and is a function of the relationship between the contract value and the value of the underlying assets. The contract rate is reset periodically by the issuer of the contract and cannot be less than zero. The rate shown for a contract is the current rate as of December 31, 2025. A maturity date is not disclosed for these contracts, as they are open-ended with no maturity, unless otherwise stated.

(D) Contract crediting rate resets or fluctuates periodically. The rate shown is the current rate as of December 31, 2025.

**Hand Composite Employee Benefit Trust
Statement of Operations – Selected Fund
Year Ended December 31, 2025**

	HB&T PR Stable Value Fund
Income	
Interest	\$ 19,582,624
Total Income	<u>19,582,624</u>
Expenses	
Trustee and administrative	40,097
Investment advisory	<u>388,199</u>
Total Expenses	<u>428,296</u>
Net Investment Income	<u>19,154,328</u>
Net Increase in Net Assets From Operations	<u>\$ 19,154,328</u>

**Hand Composite Employee Benefit Trust
Statement of Changes in Net Assets – Selected Fund
Year Ended December 31, 2025**

	HB&T PR Stable Value Fund
Operations	
Net investment income	<u>\$ 19,154,328</u>
Net Increase in Net Assets From Operations	19,154,328
Net Increase in Net Assets From Participant Unit Transactions	<u>100,000,000</u>
Increase in Net Assets	119,154,328
Net Assets, Beginning of Year	<u>292,393,944</u>
Net Assets, End of Year	<u><u>\$ 411,548,272</u></u>

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

Nature of Operations

Hand Composite Employee Benefit Trust (HB&T or Trust) was created in order to provide broad and uniform diversification programs for pension and profit-sharing plans that, having complied with the requirements of the Internal Revenue Code (IRC), are exempt from taxation under the provisions of the IRC. The Trust is comprised of 108 portfolios; the financial statements of one of those funds 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.

FASB Accounting Standards Codification for Stable Value Investment Funds

The Fund is an investment company and follows accounting and reporting guidance under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 946, *Financial Services – Investment Companies*. The Fund carries its investments at contract value and applies the provisions of FASB ASC Sections 946-210-45 and 946-210-50 for stable value investment funds. These sections affirm contract value accounting for fully benefit-responsive investment contracts.

Valuation of Investments

All investments in securities, except fully benefit-responsive investment contracts (which are reported at contract value), are recorded at their estimated fair value. Transfers in and out of Level 1 (quoted market prices), Level 2 (significant other observable inputs), and Level 3 (significant unobservable inputs) are recognized on the period ending date.

Investment Transactions

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

Investment Income and Distribution of Income

Dividend income less foreign taxes withheld, if any, is recorded on the ex-dividend date, and interest income is recorded on the accrual basis. Investment income is allocated ratably on the valuation dates among all participants. No distributions are made to participants in the Fund until units owned are redeemed, at which time the market value of redeemed units is distributed. Investment income and realized gains (if any) earned by the Fund are reinvested, thereby increasing the respective unit values.

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.

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Federal Income Taxes

The Fund complies with the requirements under Section 501(a) of the IRC and apportions all of its taxable income to its participants. Therefore, no federal income tax provision is required.

Subsequent Events

As a result of ongoing changes in global economic and fiscal policies, economic uncertainties have arisen that 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 29, 2026, which is the date the financial statements were available to be issued.

Investment Management Advisor

The investment management advisor for the Fund is Galliard Capital Management.

Note 2. Guaranteed Investment Contracts and Security-Backed Contracts

Description

The Fund primarily invests in security-backed contracts issued by insurance companies and other financial institutions.

A security-backed contract is an investment contract issued by an insurance company or other financial institution, backed by a portfolio of bonds that are owned by the Fund. The portfolio underlying the contract is maintained separately from the contract issuer's general assets, usually by a third-party custodian. The interest crediting rate of a security-backed contract is based on the contract value and the fair value, duration, and yield to maturity of the underlying portfolio. These contracts typically allow for realized and unrealized gains and losses on the underlying assets to be amortized, usually over the duration of the underlying investments, through adjustments to the future interest crediting rate, rather than reflected immediately in the net assets of the Fund. The issuer guarantees that all qualified participant withdrawals will be at contract value.

Risks arise when entering into any investment contract due to the potential inability of the issuer to meet the terms of the contract. In addition, security-backed contracts have the risk of default or the lack of liquidity of the underlying portfolio assets.

Variables That Impact Future Crediting Rates

The primary variables impacting the future crediting rates of security-backed contracts include:

- The current yield of the assets underlying the contract
- The duration of the assets underlying the contract
- The existing difference between the fair value and contract value of the assets within the contract

Crediting Rate Calculation Methodology

The Fund primarily uses the following formula for security-backed contracts:

- $CR = [(FV/CV)(1/D)^*(1+Y)] - 1$, where:
 - CR = crediting rate
 - FV = fair value of underlying portfolio

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- CV = contract value
- D = weighted-average duration of the underlying portfolio
- Y = annualized weighted-average yield to maturity of the underlying portfolio

The net crediting rate reflects fees paid to security-backed contract issuers.

Basis and Frequency of Determining Contract Crediting Rates

The security-backed contracts are designed to reset their respective crediting rates on a quarterly basis.

Minimum Crediting Rates

Security-backed contracts cannot credit an interest rate that is less than 0%.

Relationship Between Future Crediting Rates and Adjustment Between Fair Value and Contract Value

The crediting rate of security-backed contracts will track current market yields on a trailing basis. The rate reset allows the contract value to converge with the fair value of the underlying portfolio over time, assuming the portfolio continues to earn the current yield for a period of time equal to the current portfolio duration.

To the extent that the underlying portfolio of a security-backed contract has unrealized and/or realized losses, a positive adjustment is made to the adjustment from fair value to contract value under contract value accounting. As a result, the future crediting rate may be lower over time than the then-current market rates. Similarly, if the underlying portfolio generates unrealized and/or realized gains, a negative adjustment is made to the adjustment from fair value to contract value, and the future crediting rate may be higher than the then-current market rates.

Reconciliation of the Adjustment From Fair Value to Contract Value

December 31, 2024 adjustment from fair value to contract value	\$ (1,399,120)
Net decrease in adjustment from fair value to contract value of fully benefit-responsive investment contracts	<u>(7,316,126)</u>
December 31, 2025 adjustment from fair value to contract value	<u><u>\$ (8,715,246)</u></u>

Fair Value to Contract Value Ratios for the Fund as of December 31, 2025

Net assets reflecting investments at fair value	\$ 420,263,518
Net assets reflecting investments at contract value	\$ 411,548,272
Fair value to contract value ratio	102.12%

Note 3. Expenses, Investment Advisory Fees, and 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.

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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	Investment Management Fees	Other Fees	Total Fees
HB&T PR Stable Value Fund Class R-INT	0.10%	0.01%	0.11%

The Fund pays wrapper contract fees, either as a liability to the Fund or embedded in the crediting rates, to the security-backed contract issuers to assure contract liquidity for plan participant-directed withdrawals. The Fund's financial statements and financial highlights exclude the impact of any ancillary expense arrangements that are paid outside the Fund.

Note 4. Financial Highlights and Other Information

Financial Highlights

Selected data for a participant unit outstanding are as follows for the year ended December 31, 2025:

	HB&T PR Stable Value Fund Class R-INT
Net asset value, beginning of year	\$ 10.26
Net investment income	0.51
Net realized and unrealized losses	-
Net increase from investment operations	0.51
Net asset value, end of year	\$ 10.77
Total return	4.97%
Ratio to average net assets	
Net investment income	4.82%
Expenses	0.11%

Yield Analysis

The yield earned by the Fund at December 31, 2025 was 4.86%. This represents the annualized earnings of all investments in the Fund divided by the fair value of all investments in the Fund at December 31, 2025.

The yield earned by the Fund with an adjustment to reflect the actual interest rate credited to participants in the Fund at December 31, 2025 was 4.27%. This represents the annualized earnings credited to participants in the Fund divided by the fair value of all investments in the Fund at December 31, 2025.

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Sensitivity Analysis*

Table 1

The table below illustrates the effect on the weighted-average interest crediting rate, calculated as of the end of the next four quarterly periods, where there is an immediate hypothetical increase or decrease in market yields, equal to one-quarter and one-half of the current yield, with no change to the duration of the underlying investment portfolio and no contributions or withdrawals.

Fund crediting rate	4.86%
Current market interest rate	4.27%
Participant cash flows	0.00%

Scenario	Market Rate	Effect on the Crediting Rate at the End of Period			
		Quarter 1 Projected	Quarter 2 Projected	Quarter 3 Projected	Quarter 4 Projected
Increase of 50%	6.41%	5.04%	5.16%	5.26%	5.36%
Increase of 25%	5.34%	5.01%	5.04%	5.07%	5.09%
No change	4.27%	4.93%	4.88%	4.84%	4.80%
Decrease of 25%	3.20%	4.82%	4.70%	4.58%	4.47%
Decrease of 50%	2.14%	4.68%	4.48%	4.29%	4.12%

Table 2

The following table illustrates the effect on the weighted-average interest crediting rate, calculated as of the date of the next four quarterly reset periods, where there is an immediate hypothetical increase or decrease in market yields, equal to one-quarter and one-half of the current yield, combined with an immediate, one-time, hypothetical 10% decrease in the net assets of the contracts due to participant transfers, with no change to the duration of the portfolio.

Fund crediting rate	4.86%
Current market interest rate	4.27%
Participant cash flows	-10.00%

Scenario	Market Rate	Effect on the Crediting Rate at the End of Period			
		Quarter 1 Projected	Quarter 2 Projected	Quarter 3 Projected	Quarter 4 Projected
Increase of 50%	6.41%	5.12%	5.23%	5.32%	5.42%
Increase of 25%	5.34%	5.08%	5.11%	5.13%	5.15%
No change	4.27%	5.01%	4.95%	4.90%	4.86%
Decrease of 25%	3.20%	4.90%	4.77%	4.64%	4.53%
Decrease of 50%	2.14%	4.75%	4.54%	4.35%	4.18%

* The projected crediting rates above are based on simplified assumptions and are illustrative only. The Fund's actual crediting rates and the future returns actually achieved by the participants in the future may vary significantly from the above illustrations due to market conditions and cash flows.

The current market interest rates used in the illustrations are based upon the actual yield to maturity of the underlying portfolios and other Fund investments. The illustrations above are based upon current crediting rate calculation conventions.

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Illustrations showing a 10% decrease in net assets due to participant transfers assume the transfers occur immediately after the rate shift and crediting rate reset.

Note 5. Participant Unit Transactions

	HB&T PR	
	Stable Value Fund	
	<u>Units</u>	<u>Dollars</u>
Class R-INT		
Proceeds from sales of units	9,727,626	\$ 100,000,000
Cost of units redeemed	-	-
	<u>9,727,626</u>	<u>100,000,000</u>
Net increase in Class R-INT from participant unit transactions		
	<u>9,727,626</u>	<u>100,000,000</u>
Net increase in net assets from participant unit transactions		<u>\$ 100,000,000</u>

Note 6. 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 supported by little or no market activity and that are significant to the fair value of the assets or liabilities

Recurring Measurements

Following is a description of the valuation methodologies and inputs used for assets measured at fair value on a recurring basis and recognized in the statement of assets and liabilities, as well as the general classification of such assets pursuant to the valuation hierarchy. There have been no significant changes in the valuation techniques during the year ended December 31, 2025.

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 the 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.

Security-Backed Contracts

Security-backed contracts generally are evergreen contracts that contain termination provisions, allowing the Fund or the contract issuer to terminate with notice, at any time at fair value, and providing for automatic termination of the contract if the contract value or the fair value of the underlying portfolio equals zero. The issuer is obligated to pay the excess contract value when the fair value of the underlying portfolio equals zero.

In addition, if the Fund defaults in its obligations under the security-backed contract (including the issuer's determination that the agreement constitutes a non-exempt prohibited transaction as defined under ERISA), and such default is not corrected within the time permitted by the contract, then the contract may be terminated by the issuer and the Fund will receive the fair value as of the date of termination.

Security-backed contracts generally provide for withdrawals associated with certain events which are not in the ordinary course of Fund operations. These withdrawals are paid with a market value adjustment applied to the withdrawal as defined in the investment contract. Each contract issuer specifies the events which may trigger a market value adjustment; however, such events may include all or a portion of the following:

- The merger of the employer or the spin-off of all or a portion of the assets or significant restricting or bankruptcy of the employer;
- The group layoff, exclusion of a group of employees from participation in the Plan, or implementation of an early retirement program;
- An amendment or modification to the Plan including the partial termination of the Plan or Fund, or failure of the Plan to maintain favorable tax status;
- A material change to an asset allocation fund that utilizes the Fund;
- The distribution of a communication to participants that is intended or designed to induce Participants to make withdrawals or transfers;
- The failure to include restrictions that limit the ability to make direct transfers between the Fund and a fund that is similar to the Fund, thereby cause to "compete" with the Fund; or
- The establishment by the employer of a plan that competes for contributions by Participants.

At this time, management of the Fund does not believe that the occurrence of any such market value events, which would limit the Fund's ability to transact at contract value with participants, is probable.

Common Trust Funds

Investments in common trust funds, which are administered by banks, trust companies, or similar institutions and pool assets from multiple fiduciary accounts, are valued at the net asset value (NAV) per unit provided by the fund sponsors as a practical expedient to fair value, as permitted by Accounting Standards Codification 820. The NAV is based on the fair value of the underlying investments held by the common trust funds, which may include equity securities, fixed income instruments, and other investment vehicles, as determined by the fund sponsors in accordance with their valuation policies.

The Funds receive periodic capital statements or other financial information from the trustees reflecting its proportionate interest in the net assets of the common trust funds. Investments measured using the NAV practical expedient are not categorized within Level 1, Level 2, or Level 3 of the fair value hierarchy. These investments are not publicly traded and are subject to redemption terms, notice periods, and other restrictions in accordance with the governing documents of the common trust funds.

Wrapper Contracts

As described in Note 2, the fair value of a wrapper contract provided by a security-backed contract issuer is the present value of the difference between the current wrapper fee and the contracted wrapper fee. The fees and discount rate are also directly observable inputs, making the fair value of wrapper contracts generally Level 2.

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There were no transfers between any of the levels of the hierarchy during the year ended December 31, 2025.

Table 1

The following table presents the fair value measurements of assets and liabilities recognized in the 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, 2025:

	<u>Fair Value</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
HB&T PR Stable Value Fund				
Financial Instruments – Assets				
Short Term Investment	\$ 7,777,723	\$ 7,777,723	\$ -	\$ -
Security-Backed Contracts	<u>412,523,464</u>	-	412,523,464	-
Total	<u>\$ 420,301,187</u>			

Table 2

The classification of the fair value measurements for securities underlying the security-backed contracts is presented below. These securities represent the significant inputs to the valuation of the security-backed contracts and do not have a direct impact on the statement of assets and liabilities, statement of operations, or statement of changes in net assets. This table also includes other assets and liabilities underlying the security-backed contracts, which are not recorded at fair value at December 31, 2025:

	<u>Total Underlying Portfolios and Wrapper Contracts</u>	<u>Fair Value Measurements Using</u>		
		<u>Quoted Prices in Active Markets for Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
HB&T PR Stable Value Fund				
Common Trust Funds (A)	<u>\$ 412,523,464</u>	\$ -	\$ -	\$ -
Total	<u>\$ 412,523,464</u>			

(A) Certain investments that are measured at fair value using net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts included above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statement of assets and liabilities.

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Note 7. Risk Factors

Investment Securities Risk

The Fund invests in various investment securities and, as a result, is exposed to certain risks, including but not limited to market risk and concentration risk. Due to the level of risk associated with these investments, it is at least reasonably possible that changes in the fair values of the Fund's investments will occur in the near term and that such changes could materially affect the amounts reported in the statements of assets and liabilities.

Market Risk

Market risk is the risk that the value of investments may fluctuate due to changes in market conditions, including economic events, political developments, public health concerns, or other factors affecting financial markets generally. The value of investment securities may decline due to factors that affect the overall market or specific asset classes, regardless of the financial condition of individual issuers. Periods of financial stress, changes in investor sentiment, or unexpected events may increase market volatility, resulting in rapid and significant changes in the fair value of the Fund's investments.

Concentration Risk

Concentration risk is the risk that the Fund's performance may be adversely affected by developments impacting a particular issuer, industry, sector, or geographic region. From time to time, market conditions or investment strategies may result in the Fund having increased exposure to certain issuers or groups of investments with similar economic characteristics. In such circumstances, adverse economic, political, regulatory, or market events affecting those issuers or markets could have a greater impact on the Fund's investment performance and financial position.

Note 8. Concentrations

Issuers of investment contracts which represent aggregate exposure greater than 5% of the Fund's total net assets are as follows at December 31, 2025:

	<u>Contract Value</u>	<u>Percentage of Net Assets</u>
American General Life Ins. Co.	\$ 60,272,415	14.65%
Massachusetts Mutual Life Ins. Co.	85,882,246	20.87%
Prudential Ins. Co. of America	85,882,246	20.87%
Royal Bank of Canada	85,889,065	20.87%
Voya Ret. Ins. and Annuity Co.	85,882,246	20.87%
	<u>\$ 403,808,218</u>	<u>98.13%</u>

Supplementary Information

Hand Composite Employee Benefit Trust
HB&T PR Stable Value Fund
Schedule of Investment Purchases and Sales
Year Ended December 31, 2025

Purchases			
Investment Class	Cost		
Investment Contracts	\$ 157,219,989		
Security-Backed Contracts	<u>97,800,000</u>		
Total investments purchased	<u><u>\$ 255,019,989</u></u>		
Sales & Maturities			
Investment Class	Cost	Proceeds	Gains (Losses)
Investment Contracts	<u>\$ 59,419,989</u>	<u>\$ 59,419,989</u>	<u>\$ -</u>
Total investments sold	<u><u>\$ 59,419,989</u></u>	<u><u>\$ 59,419,989</u></u>	<u><u>\$ -</u></u>