

# HB&T Lincoln Stable Value CIF R-INT

As of June 30, 2020



## ABOUT THE FUND

The HB&T Lincoln Stable Value CIF is a collective investment fund (CIF) created by the Hand Composite Employee Benefit Trust and is sponsored and managed by Hand Benefits & Trust Company, a BPAS Company.

## INVESTMENT STRATEGY

The objective of the HB&T Lincoln Stable Value CIF is to preserve capital and provide stability of principal while earning current income comparable to money market rates and other high quality, short-term fixed income investments.

The fund will invest in a group annuity contract issued by the Lincoln National Life Insurance Company. This contract provides investors a crediting rate that is recalculated each quarter. Lincoln provides a book value guarantee for participant-initiated withdrawals and up to the first 15% of all withdrawals in any 24-month period. Lincoln invests the proceeds from the contract into their general account portfolio comprised of fixed income securities such as US Governmental Agencies & Treasuries, mortgages, asset backed securities, corporate debt and cash equivalents.

## ANNUALIZED GUARANTEED CREDITING RATES<sup>1</sup>

Year	1Q	2Q	3Q	4Q
2020	2.74%	2.74%	2.74%	

## RATE OF RETURN<sup>1</sup>

	Fund <sup>2</sup>	Benchmark <sup>3</sup>
QTD	N/A	N/A
YTD	N/A	N/A
1 Year	N/A	N/A
3 Year	N/A	N/A
5 Year	N/A	N/A
Inception to Date	0.60%	0.03%

<sup>1</sup> These rates are net of all fees. There is no guarantee that future rates will be similar. Guarantees are subject to Lincoln's financial strength and claims paying ability.

<sup>2</sup> The Fund's returns are net of operating expenses applicable to the share class. Future performance may be lower or higher. Investment value will fluctuate and shares, when redeemed, may be worth more or less than original cost.

<sup>3</sup> ICE BofA Merrill Lynch 3-Month U.S. Treasury Bill Index

## FUND INFORMATION

CUSIP:	41026E111
Investment Category:	Stable Value
Inception Date:	4/8/2020
Annual Portfolio Turnover Rate:	N/A
Average Quality:	A-
Target Duration:	4.5 Years

## ANNUAL EXPENSE

Expense Ratio*	<b>0.11%</b>
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\*The expense ratio includes no service fees payable to the plan's service providers.

## LINCOLN FINANCIAL STRENGTH RATINGS

A.M. Best	A+
Fitch	A+
Moody's Investors	A1
Standard & Poor's	AA-

## ASSET ALLOCATION

Corporates	64%
Mortgages/MBS	16%
US Govt. Related	4%
Asset Backed	4%
Other	12%

The CIF is not a mutual fund. Its shares are not deposits of Hand Benefits & Trust Company, a BPAS Company, and are not insured by the Federal Deposit Insurance Corporation or any other agency. The CIF is a security which has not been registered under the Securities Act of 1933 and is exempt from investment company registration under the Investment Act of 1940. This collective investment fund is available for investment by eligible qualified retirement plan trusts only.

The performance quoted here does not guarantee future results. As market conditions fluctuate, the investment return and principal value of any investment will change. Diversification may not protect against market risk. There are risks involved with investing, including possible loss of principal. Before investing in any investment portfolio, the client and the financial professional should carefully consider client investment objectives, time horizon, risk tolerance and fees.

Participant-Initiated, Plan-Initiated and Manager-Initiated withdrawals attributable to any plan or any participating fund will be paid at book value if the total of book value withdrawals for such plan or participating fund in a rolling 24-month period do not exceed the greater of \$1 million or 15% of the book value attributable to the plan or participating fund at the start of that period. Any withdrawals that exceed the amount above will be paid at book value less a market value adjustment.

Notwithstanding the above, any Plan-Initiated or Manager-Initiated withdrawals that are immediately transferred into a new plan or participating fund covered under the same Lincoln contract will be paid at book value. See redemption procedures on the following page:

## Redemption Procedures:

- (a) Participant directed redemptions will be processed as they are received without the need for pre-notifications.
- (b) Plan level redemptions and liquidations. A pre-notification of one hundred and eighty (180) calendar days prior to the transaction date is required for transactions over \$1,000,000.
- (c) Manager level redemptions and liquidations for Fund of Funds:
  - i) All Manager level redemptions driven by participant directed redemptions in the Fund of Funds will be processed as they are received without the need for pre-notifications.
  - ii) All Manager level redemptions driven by the Manager's need to rebalance back to a predetermined model allocation will be processed as they are received without the need for pre-notifications.
  - iii) All Manager level redemptions driven by a change to the model allocation, including the complete removal of the HB&T Lincoln Stable Value CIF from the Fund of Funds model, will require a pre-notification of one hundred and eighty (180) calendar days prior to the transaction date for transactions over \$1,000,000, based on the total amount of the redemption across all Fund of Funds controlled by the Manager.
- (d) Trustee reserves the right to waive these pre-notifications at its discretion.