



**GREAT GRAY**  
TRUST COMPANY

**GREAT GRAY COLLECTIVE INVESTMENT TRUST III  
FOR METLIFE GROUP ANNUITY CONTRACT NO. 25554  
FINANCIAL STATEMENTS  
DECEMBER 31, 2023  
WITH  
INDEPENDENT AUDITOR'S REPORT**

Great Gray Collective Investment Trust III  
For MetLife Group Annuity Contract No. 25554

CONTENTS

Independent Auditor's Report .....	1
Statement of Net Assets .....	3
Statement of Operations .....	3
Statement of Changes in Net Assets .....	4
Financial Highlights .....	5
Notes to the Financial Statements .....	7



## INDEPENDENT AUDITOR'S REPORT

Great Gray Trust Company, LLC, Trustee for  
Great Gray Collective Investment Trust III for  
MetLife Group Annuity Contract No. 25554

### Opinion

We have audited the financial statements of Great Gray Collective Investment Trust III for MetLife Group Annuity Contract No. 25554 (the "Fund"), which comprise the statement of net assets as of December 31, 2023, the related statements of operations and changes in net assets, and the financial highlights for the year then ended, and the related notes to the financial statements. These financial statements and financial highlights are hereinafter collectively referred to as financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as of December 31, 2023, and the results of its operations, changes in its net assets and its financial highlights 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 the 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 the Fund's ability to continue as a going concern within one year after the date that the financial statements are issued or 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 the 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 the 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.

A handwritten signature in black ink that reads "Hogan Taylor LLP". The signature is written in a cursive, flowing style.

Tulsa, Oklahoma  
April 29, 2024

# Great Gray Collective Investment Trust III

## For MetLife Group Annuity Contract No. 25554

### MetLife Group Annuity Contract No. 25554

#### Statement of Net Assets December 31, 2023

##### Assets

MetLife Group Annuity Contract No. 25554, at fair value	\$ 2,376,240,394
Wrapper contract, at fair value	22,999,258
Cash and cash equivalents	10,962
Receivable for fund units sold	6,905,419
Receivable for contract units sold	3,675,891
<b>Total assets</b>	<u>2,409,831,924</u>

##### Liabilities

Payable for contract units purchased	5,831,917
Payable for fund units redeemed	4,762,391
Accrued trustee, administrative services and service provider fees	1,708,277
Accrued professional services and other operating expenses	43,627
<b>Total liabilities</b>	<u>12,346,212</u>
Net assets reflecting all investments at fair value	2,397,485,712
Adjustment from fair value to contract value for fully benefit-responsive investment contract	172,343,476

##### Net Assets

\$ 2,569,829,188

#### Statement of Operations For the year ended December 31, 2023

##### Investment Income (Loss)

##### Income

Interest	\$ 69,502,236
<b>Total income</b>	<u>69,502,236</u>

##### Expenses

Trustee, administrative services and service provider fees	7,288,887
Professional services and other operating expenses	136,896
<b>Total expenses</b>	<u>7,425,783</u>
<b>Net investment income</b>	<u>62,076,453</u>

##### Increase in net assets from operations

\$ 62,076,453

# Great Gray Collective Investment Trust III

## For MetLife Group Annuity Contract No. 25554

### MetLife Group Annuity Contract No. 25554

#### Statement of Changes in Net Assets For the year ended December 31, 2023

#### Increase (Decrease) in Net Assets

##### Operations

Net investment income	\$ 62,076,453
Increase in net assets from operations	62,076,453

##### Unit transactions

Proceeds from units issued	
Class 25	18,100,637
Class 40	9,140,190
Class 45	201,325
Class 50	15,050,921
Class 75	55,892,356
Class 80	3,829,211
Class 95	912,581
Class F0	18,532,882
Class F75	2,466,434
Class I <sup>^</sup>	21,724
Class J	540,127,811
Class K	23,096,284
Class L	11,509,871
Class M	2,705,473
Class S	112,140,967
Total proceeds from units issued	813,728,667

##### Value of units redeemed

Class 25	(35,936,495)
Class 40	(22,497,826)
Class 45	(92,295)
Class 50	(22,215,774)
Class 75	(128,231,809)
Class 80	(8,080,537)
Class 95	(6,480,561)
Class F0	(36,144,154)
Class F75	(5,170,021)
Class I <sup>^</sup>	(7,960,670)
Class J	(760,828,977)
Class K	(48,925,730)
Class L	(16,233,106)
Class M	(6,597,812)
Class S	(155,226,659)
Total value of units redeemed	(1,260,622,426)
Decrease in net assets resulting from unit transactions	(446,893,759)
Decrease in net assets	(384,817,306)
Net assets, beginning of year	2,954,646,494
<b>Net assets, end of year</b>	<b>\$ 2,569,829,188</b>

<sup>^</sup> All Class I units were redeemed on 2/6/2023. The fee class remains available for sale.

# Great Gray Collective Investment Trust III

## For MetLife Group Annuity Contract No. 25554

### MetLife Group Annuity Contract No. 25554

#### Financial Highlights For the year ended December 31, 2023

Per Unit Operating Performance	Class 25	Class 40	Class 45	Class 50	Class 75
Net asset value, beginning of year	\$ 20.04	\$ 19.69	\$ 19.56	\$ 19.48	\$ 18.91
Investment operations:					
Net investment income <sup>(1)</sup>	0.44	0.40	0.39	0.37	0.33
Total from investment operations	0.44	0.40	0.39	0.37	0.33
<b>Net asset value, end of year</b>	<b>\$ 20.48</b>	<b>\$ 20.09</b>	<b>\$ 19.95</b>	<b>\$ 19.85</b>	<b>\$ 19.24</b>
<b>Total Return</b>	2.20%	2.03%	1.99%	1.90%	1.75%
<b>Supplemental Data</b>					
Ratio to average net assets:					
Expenses	0.31%	0.46%	0.51%	0.56%	0.81%
Net investment income	2.18%	2.03%	1.98%	1.93%	1.68%
<b>Unit Activity</b>					
Units, beginning of year	3,908,364	2,548,710	157,812	3,406,270	17,190,337
Issued	894,019	460,230	10,205	766,248	2,930,919
Redeemed	(1,773,970)	(1,132,600)	(4,688)	(1,129,768)	(6,723,282)
Units, end of year	3,028,413	1,876,340	163,329	3,042,750	13,397,974
<b>Per Unit Operating Performance</b>	<b>Class 80</b>	<b>Class 95</b>	<b>Class F0</b>	<b>Class F50</b>	<b>Class F75</b>
Net asset value, beginning of year	\$ 18.81	\$ 18.48	\$ 20.26	\$ 19.55	\$ 18.91
Investment operations:					
Net investment income <sup>(1)</sup>	0.31	0.28	0.47	0.34	0.32
Total from investment operations	0.31	0.28	0.47	0.34	0.32
<b>Net asset value, end of year</b>	<b>\$ 19.12</b>	<b>\$ 18.76</b>	<b>\$ 20.73</b>	<b>\$ 19.89</b>	<b>\$ 19.23</b>
<b>Total Return</b>	1.65%	1.52%	2.32%	1.74%	1.69%
<b>Supplemental Data</b>					
Ratio to average net assets:					
Expenses	0.84%	1.01%	0.16%	0.78% <sup>(2)</sup>	0.80%
Net investment income	1.65%	1.48%	2.33%	1.71%	1.69%
<b>Unit Activity</b>					
Units, beginning of year	1,334,543	1,368,679	3,572,998	234	572,047
Issued	202,058	48,959	906,807	-( <sup>3</sup> )	129,189
Redeemed	(426,072)	(348,807)	(1,767,831)	-( <sup>3</sup> )	(270,625)
Units, end of year	1,110,529	1,068,831	2,711,974	234	430,611

<sup>(1)</sup> Based on average units outstanding.

<sup>(2)</sup> Low assets resulted in an expense ratio that differs from the fees disclosed in Note 5.

<sup>(3)</sup> Amount rounds to less than 1 unit.

# Great Gray Collective Investment Trust III

## For MetLife Group Annuity Contract No. 25554

### MetLife Group Annuity Contract No. 25554

#### Financial Highlights (continued) For the year ended December 31, 2023

Per Unit Operating Performance	Class I	Class J	Class K	Class L	Class M
Net asset value, beginning of year	\$ 20.68	\$ 20.42	\$ 19.82	\$ 19.25	\$ 18.72
Investment operations:					
Net investment income <sup>(1)</sup>	0.05	0.49	0.42	0.35	0.30
Total from investment operations	0.05	0.49	0.42	0.35	0.30
<b>Net asset value, end of year</b>	<b>\$ 20.73<sup>«</sup></b>	<b>\$ 20.91</b>	<b>\$ 20.24</b>	<b>\$ 19.60</b>	<b>\$ 19.02</b>
<b>Total Return</b>	0.24% <sup>^</sup>	2.40%	2.12%	1.82%	1.60%
<b>Supplemental Data</b>					
Ratio to average net assets:					
Expenses	0.05% <sup>#</sup>	0.16%	0.41%	0.65%	0.91%
Net investment income	2.29% <sup>#</sup>	2.33%	2.08%	1.83%	1.58%
<b>Unit Activity</b>					
Units, beginning of year	383,053	83,163,114	6,640,984	2,316,960	769,713
Issued	1,049	26,167,669	1,155,174	593,657	143,322
Redeemed	(384,102)	(36,836,377)	(2,438,405)	(836,275)	(349,275)
Units, end of year	-	72,494,406	5,357,753	2,074,342	563,760
<b>Per Unit Operating Performance</b>	<b>Class S</b>				
Net asset value, beginning of year	\$ 20.11				
Investment operations:					
Net investment income <sup>(1)</sup>	0.50				
Total from investment operations	0.50				
<b>Net asset value, end of year</b>	<b>\$ 20.61</b>				
<b>Total Return</b>	2.49%				
<b>Supplemental Data</b>					
Ratio to average net assets:					
Expenses	0.06%				
Net investment income	2.47%				
<b>Unit Activity</b>					
Units, beginning of year	19,938,053				
Issued	5,525,604				
Redeemed	(7,630,506)				
Units, end of year	17,833,151				

<sup>(1)</sup> Based on average units outstanding.

« All Class I units were redeemed on 2/6/2023. The fee class remains available for sale. The net asset value is as of the redemption date of 2/6/2023.

<sup>^</sup> Not annualized for periods less than one year.

<sup>#</sup> Annualized except audit expense.



**Great Gray Collective Investment Trust III**  
**For MetLife Group Annuity Contract No. 25554**

**Notes to the Financial Statements**

**December 31, 2023**

**Note 1 – Organization**

Great Gray Collective Investment Trust III for MetLife Group Annuity Contract No. 25554 (the "Trust" or "Fund") was formed for the purpose of allowing collective investments by plan sponsors of retirement plans which qualify for exemption from federal income taxation pursuant to Section 501(a) of the Internal Revenue Code, as amended (the "Code"), by reason of qualifying under Section 401(a) of the Code; tax-exempt governmental plans under Section 414(d) or Section 818(a)(6) of the Code; eligible deferred compensation plans under Section 457(b) of the Code established by a government employer; group trusts or separate accounts consisting solely of assets of the foregoing; and other investors eligible for participation in the Trust, to invest in MetLife Group Annuity Contract No. 25554 (the "Contract") issued by Metropolitan Life Insurance Company ("MetLife") to the Trustee, Great Gray Trust Company, LLC (the "Trustee"), to establish a stable value fund.

The Trustee is responsible for maintaining and administering the Trust and the MetLife Group Annuity Contract No. 25554 (the "Fund"). Northern Trust Company provides custody, transfer agency, and accounting services for the Fund.

On December 19, 2022, Madison Dearborn Partners, LLC ("MDP"), a registered investment adviser and leading private equity firm based in Chicago, announced an agreement with Wilmington Trust, N.A. ("WTNA"), under which investment funds controlled by MDP would acquire WTNA's Collective Investment Trust business. On April 28, 2023, the agreement was finalized and Great Gray Trust Company, LLC became the successor trustee to WTNA's CIT business. On that date, the Trust name was changed from Wilmington Trust Collective Investment Trust III to Great Gray Collective Investment Trust III. The Trustee is ultimately controlled by MDP. MDP and its controlled subsidiaries are the general partner to the investment funds that own substantially all of the Trustee through intermediate holding companies.

The Contract is administered by MetLife and is managed by MetLife and the Trustee. While the Trustee generally relies on MetLife and is managed by MetLife and the Trustee to manage the Fund's assets, the Trustee maintains ultimate fiduciary authority over the management of and investments made in the Fund.

The investment objective of the Fund is to provide safety of principal, adequate liquidity and a competitive yield with low return volatility.

**Note 2 – Significant Accounting Policies**

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Fund is an investment company and follows the accounting and reporting guidance in Financial Accounting Standards Board Accounting Standards Codification Topic No. 946.

**Net Asset Value ("NAV")** – Units of each fee class of the Fund are valued each day on which the New York Stock Exchange ("NYSE") is open for trading in accordance with the valuation procedures established by the Trustee. The NAV per unit is calculated as of the close of trading on the NYSE (generally, 4:00 p.m. U.S. Eastern time). The NAV per unit is computed by dividing the total contract value of the assets of the Fund, less its liabilities, by the total number of units outstanding at the time of such computation. Investment income earned is reinvested in the Fund and included in the determination of unit values.

## Great Gray Collective Investment Trust III

### MetLife Group Annuity Contract No. 25554

#### Notes to the Financial Statements (continued)

December 31, 2023

**Fund Unit Transactions** – The Fund sells new units and repurchases outstanding units on a daily basis. Unit purchases and redemptions are transacted at the NAV per fee class of the Fund determined as of the close of business each day. A summary of the Fund unit activity for the Fund is included with its Financial Highlights. The NAV is calculated daily based on the contract value.

**Contract Valuation** – The Statement of Net Assets presents the Contract at fair value. Since the Contract is fully benefit-responsive, a line item is presented in the Statement of Net Assets reporting an adjustment from fair value to contract value. The fair value of the Contract is determined by MetLife based on quoted market prices of the underlying investments owned by MetLife.

**Investment Transactions and Investment Income** – The Fund records security transactions on a trade date basis. Interest income is accrued at the Contract's crediting rate. The crediting rate is generally based on the fair value, duration, and yield to maturity of the underlying contract. 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. MetLife guarantees that all qualified participant withdrawals will be at contract value.

**Fee Classes and Allocations** – The Fund offers multiple fee classes which pay different expenses. Not all fee classes are available for investment by all plans. Income and expenses (other than expenses attributable to a specific class) are allocated to each fee class based on the units outstanding for the fee class in proportion to the total outstanding units.

**Use of Estimates** – The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Guarantees and Indemnifications** – Under the Fund's organizational documents, each trustee, officer, employee and agent of the Trust (including MetLife) is indemnified, to the extent permitted by law, against certain liabilities that may arise in the performance of their duties to the Fund.

Additionally, in the normal course of business, the Fund enters into contracts that contain a variety of indemnification clauses. The Fund's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Fund that have not yet occurred. However, the Fund has not had prior claims or losses pursuant to these contracts and the Trustee believes the risk of loss to be remote.

**Income Tax Status** – The Trust has received a determination from the Internal Revenue Service that the Trust is exempt from federal income taxation under Section 501(a) of the Code. Accordingly, no federal income tax provision is required.

**Subsequent Events** – The Trustee has evaluated the effect of subsequent events on the Fund's financial statements through April 29, 2024, which is the date the financial statements were available to be issued, and has determined that there are no material subsequent events that would require disclosure or adjustment in the Fund's financial statements through this date.

## Great Gray Collective Investment Trust III

### MetLife Group Annuity Contract No. 25554

#### Notes to the Financial Statements (continued)

December 31, 2023

#### Note 3 – MetLife Group Annuity Contract

MetLife deposits participating plan contributions in the Contract, which are invested in the following separate accounts (the "separate accounts"), based on the allocated percentages below, to provide competitive total returns relative to the respective benchmarks:

Account and Allocated Percentage	Benchmark
MetLife Aggregate Bond Index Fund – 30%	Bloomberg Barclays U.S. Aggregate Bond Index
Wilmington Short/Intermediate Bond Fund – 40%	Bloomberg Barclays U.S. Intermediate Government/Credit Index
Wilmington Broad Market Bond Fund – 15%	Bloomberg Barclays U.S. Aggregate Bond Index
Lord Abbett 1-3 Year Government/Credit Fund – 15%	Bloomberg Barclays U.S. 1-3 Year Government/Credit Index

The Contract simulates the performance of a guaranteed investment contract through the guarantee of a specific interest rate and a portfolio of financial instruments that are owned by MetLife. The participating plans' assets are the unit ownership interests in the Contract. The separate account investments are owned by MetLife. The Contract provides that the Fund execute transactions at contract value. MetLife guarantees the contract value, which represents contributions, plus interest, less participant-initiated withdrawals or transfers. This is the Contract's guaranteed value. The Contract's fair value equals the Contract's proportionate share of the fair value of the separate accounts. A participating plan's fair value in the Contract equals the Contract's fair value times the ratio of the plan's guaranteed value to the Contract's guaranteed value. If a participating plan terminates participation in the Fund, it will receive the lesser of the guaranteed value or the fair value of its share of the Fund.

The Contract provides a fixed interest rate for a fixed period that will apply to the entire guaranteed value. The interest rate is reset every quarter as determined by MetLife with consideration of the market value of the underlying investments, the anticipated market yields-to-maturity of benchmark indices of underlying investments, expected payments into and out of the Contract, amortization of the difference, if any, between the market value of underlying investments and the guaranteed value of the Contract, and the fees allowed under the Contract. MetLife guarantees that the rate will never be less than zero. MetLife's estimated value of the guarantee is presented in the Statement of Net Assets as a wrapper contract.

**Great Gray Collective Investment Trust III**

**MetLife Group Annuity Contract No. 25554**

**Notes to the Financial Statements (continued)**

**December 31, 2023**

The adjustment to contract value is calculated as follows:

	Major Credit Ratings Moody's/S&P	Investments at Fair Value	Wrapper Contract at Fair Value	Adjustment to Contract Value
GAC No. 25554	Aa3/AA-	\$ 2,376,240,394	\$ -	\$ 172,343,476
Wrapper		-	22,999,258	-
<b>Total</b>		<u>\$ 2,376,240,394</u>	<u>\$ 22,999,258</u>	
Adjustment to contract value, beginning of year				<u>221,307,893</u>
Change in adjustment				<u>\$ (48,964,417)</u>

If a withdrawal is made from the Contract as a result of an employer or plan sponsor-initiated event or if a withdrawal is requested due to a complete or partial termination of a participating plan in the Fund before the Contract ends, and the Contract's fair value equals or exceeds the guaranteed value, payment is made in an amount equal to the amount of the guaranteed value which is attributable to the participating plan. If the Contract's fair value is less than its guaranteed value, the amount paid is equal to the guaranteed value reduced by the amount of fair value deficit allocable to the participating plan.

*Yield Analysis*

The average yield earned by the Contract for the year ended December 31, 2023, was 4.66%. This represents the annualized earnings of the separate account investments owned by MetLife in which the Contract funds are invested divided by the fair value of the Contract at December 31, 2023.

The average yield earned by the Contract with an adjustment to reflect the actual interest rate credited to participants in the Contract for the year ended December 31, 2023, was 2.71%. This represents the annualized earnings credited to participants in the Contract divided by the fair value of the Contract at December 31, 2023.

*Sensitivity Analysis*

Actual weighted average interest crediting rate for the first quarter of 2024: 2.50%

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 withdrawal.

	1 <sup>st</sup> Quarter Ended March 31, 2024	2 <sup>nd</sup> Quarter Ended June 30, 2024	3 <sup>rd</sup> Quarter Ended September 30, 2024	4 <sup>th</sup> Quarter Ended December 31, 2024
Increase of 50%	2.75%	2.99%	3.21%	3.42%
Increase of 25%	2.69%	2.87%	3.03%	3.19%

## Great Gray Collective Investment Trust III

### MetLife Group Annuity Contract No. 25554

#### Notes to the Financial Statements (continued)

December 31, 2023

	1 <sup>st</sup> Quarter Ended March 31, 2024	2 <sup>nd</sup> Quarter Ended June 30, 2024	3 <sup>rd</sup> Quarter Ended September 30, 2024	4 <sup>th</sup> Quarter Ended December 31, 2024
Decrease of 25%	2.56%	2.62%	2.67%	2.72%
Decrease of 50%	2.50%	2.49%	2.49%	2.49%

The table below illustrates the effect on the weighted average interest crediting rate, calculated as of the date 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, combined with an immediate, one-time, hypothetical 10% decrease in the net assets of the Contract due to participant transfers, with no change to the duration of the portfolio.

	1 <sup>st</sup> Quarter Ended March 31, 2024	2 <sup>nd</sup> Quarter Ended June 30, 2024	3 <sup>rd</sup> Quarter Ended September 30, 2024	4 <sup>th</sup> Quarter Ended December 31, 2024
Increase of 50%	2.22%	2.48%	2.73%	2.96%
Increase of 25%	2.30%	2.50%	2.68%	2.86%
Decrease of 25%	2.45%	2.51%	2.57%	2.62%
Decrease of 50%	2.51%	2.50%	2.50%	2.49%

#### Note 4 – Fair Value Measurements

Fair value is defined as the price a fund would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date.

Various inputs are used in determining the fair value of the Fund's investments. The Trustee has performed an analysis of the significance and character of these inputs to the fair value determination. These inputs are summarized in the three broad levels listed below:

- Level 1 – Quoted prices in active markets for identical investments.
- Level 2 – Other significant observable inputs (including quoted prices for similar investments, interest rates, credit risk, and others).
- Level 3 – Significant unobservable inputs (including the Trustee's own assumptions in determining the fair value of investments).

The fair value of the Contract is determined using Level 2 inputs. The fair value of the investments is the Contract's pro-rata share of the fair value of the securities in the underlying separate accounts in which the Contract participates. The wrapper is classified as Level 3. The fair value of the wrapper is determined by the discounted revenue method, being 20 basis points ("bps") of the guaranteed value over five years discounted by the SOFR swap curve. The inputs used for valuing the Fund's assets are not necessarily an indication of the risk associated with these investments.

## Great Gray Collective Investment Trust III

### MetLife Group Annuity Contract No. 25554

#### Notes to the Financial Statements (continued)

December 31, 2023

#### Note 5 – Fees and Expenses

**Contract Fees** – Fees are charged in accordance with the terms of the Trust agreement and the Contract. The fees are paid to MetLife for investment management services and are considered when establishing the quarterly guaranteed interest rate. MetLife’s annual contract charge is determined as follows:

MetLife Aggregate Bond Index Fund		Wilmington Short/Intermediate Bond Fund	
Contract Value	Annual Charge	Contract Value	Annual Charge
First \$10,000,000	35 bps	First \$25,000,000	65 bps
Next \$15,000,000	33 bps	Next \$25,000,000	45 bps
Next \$25,000,000	31 bps	Next \$50,000,000	40 bps
Over \$50,000,000	29 bps	Over \$100,000,000	35 bps

  

Wilmington Broad Market Bond Fund		Lord Abbett 1-3 Year Government/Credit Fund	
Contract Value	Annual Charge	Contract Value	Annual Charge
First \$10,000,000	55 bps	All Amounts	36 bps
Next \$20,000,000	50 bps		
Next \$20,000,000	45 bps		
Next \$50,000,000	40 bps		
Over \$100,000,000	35 bps		

Contract fees paid by the Fund in 2023 to MetLife totaled \$8,134,654.

**Trustee Fee** – The Trustee receives an annualized fee for trustee services provided to the Fund. These fees are accrued daily, payable in arrears on the last business day of each calendar quarter, and charged against the assets invested in the Fund. The Trustee receives 10 bps for all fee classes except Class I, for which it receives no annual trustee fee, and Class S, for which it receives 5 bps.

**Administrative Services Fee** – Administrative services fees of 5 bps are based upon the average daily value of the respective fee classes, except for Class S which has administrative service fees of 1 bps. These annualized fees are accrued daily and payable quarterly in arrears. These fees are intended to enable a participating plan to fund plan level fees and expenses paid to third parties for services, including, among others, participant recordkeeping and other administrative services provided to a participating plan.

**Service Provider Fee** – Service provider fees, if any, are used to compensate other service providers to the Fund, including brokers and financial intermediaries and other parties providing services to the Fund. Annualized service provider fees may also be paid to plan service providers, such as third-party administrators and recordkeepers that provide sub-transfer agency, recordkeeping and other administrative services to participating plans invested in the Fund.

**Great Gray Collective Investment Trust III**  
**MetLife Group Annuity Contract No. 25554**  
**Notes to the Financial Statements (continued)**

**December 31, 2023**

The service provider fees paid by the Fund are set forth in the table below (in basis points):

<u>Fee Class</u>	<u>Service Provider Fee</u>
25	15
40	30
45	35
50	40
75	65
80	70
95	85
F0	0
F50	40
F75	65
I	0
J	0
K	25
L	50
M	75
S	0

**Operating Expenses** – In addition to the fees described above, the Fund bears expenses related to its operations, including, but not limited to, audit, custody, tax and legal services. Expenses incurred in connection with the investment and reinvestment of Fund assets, including, without limitation, brokerage commission and other expenses, are also charged against the Fund.

**Note 6 – Related Party Transactions**

The Trustee is a Nevada-chartered non-depository trust company that provides trust and custodial services for tax-advantaged retirement plans as well as trust and investment services to business pension and retirement plans. The Trustee is responsible for managing the Trust's investment and business affairs.

**Note 7 – Concentration of Ownership**

As of December 31, 2023, the Fund had one unitholder holding 10% or more of the outstanding units of the Fund, and aggregated to 14.3% of the Fund's total units outstanding.

**Note 8 – Risks Associated with Investing in the Fund**

In the normal course of business, the Fund trades financial instruments and enters into financial transactions where risk of potential loss exists due to changes in the fair value of the investments.

**Great Gray Collective Investment Trust III**

**MetLife Group Annuity Contract No. 25554**

**Notes to the Financial Statements (continued)**

**December 31, 2023**

The following are the principal risks of the Fund and are described in the Additional Fund Information and Principal Risk Definitions ([www.greatgray.com/principalriskdefinitions](http://www.greatgray.com/principalriskdefinitions)):

Guaranteed Investment Contract, Industry and Sector Investing, Interest Rate, Issuer, Management, Market/Market Volatility, Mortgage-Backed and Asset-Backed Securities, Prepayment (Call), Restricted/Illiquid Securities, Stable Value/Stability, Underlying Fund/Fund of Funds.