



GREAT GRAY
TRUST COMPANY

GREAT GRAY COLLECTIVE INVESTMENT TRUST
FRANKLIN INTERNATIONAL EQUITY DBI CIT
FINANCIAL STATEMENTS
(PREPARED ON THE LIQUIDATION BASIS OF ACCOUNTING)
DECEMBER 31, 2023
WITH
INDEPENDENT AUDITOR'S REPORT

Great Gray Collective Investment Trust

FRANKLIN INTERNATIONAL EQUITY DBI CIT

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INDEPENDENT AUDITOR'S REPORT

Great Gray Trust Company, LLC, Trustee for
Great Gray Collective Investment Trust

Opinion

We have audited the financial statements of Franklin International Equity DBI CIT of Great Gray Collective Investment Trust (the "Fund"), which comprise the statement of net assets in liquidation, as of December 31, 2023, the related statements of operations in liquidation and changes in net assets in liquidation, and the financial highlights in liquidation for the year then ended, and the related notes to the financial statements in liquidation. 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the Trustee approved a plan of liquidation on July 5, 2022, and the Fund commenced liquidation shortly thereafter. As a result, the Fund has changed its basis of accounting for periods subsequent to July 4, 2022, from the going-concern basis to the liquidation basis. Our opinion is not modified with respect to this matter.

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.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements of the Fund as a whole. The supplementary information for the year ended December 31, 2023, 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.



Tulsa, Oklahoma
April 29, 2024



**FRANKLIN
TEMPLETON**

Franklin Advisers, Inc.

Great Gray Collective Investment Trust

Franklin International Equity DBI CIT

Statement of Net Assets in Liquidation December 31, 2023

Assets

Investments in NT Collective Government Short Term Investment Fund, at fair value (cost \$42,928)	\$ 42,928
Foreign currency, at fair value (cost \$2,401)	2,388
Foreign tax reclaim receivable	136,599
Dividends receivable	183
Total assets	<u>182,098</u>

Liabilities

Accrued professional services and other operating expenses	1,551
Total liabilities	<u>1,551</u>

Net Assets in Liquidation	<u>\$ 180,547</u>
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Statement of Operations in Liquidation For the year ended December 31, 2023

Expenses

Dividend expense	\$ 6,131
Total expenses	<u>6,131</u>
Net investment loss	<u>(6,131)</u>

Realized and Unrealized Gain / Loss

Net realized gain (loss) on:	
Investments	(342)
Forward foreign currency contracts	102
Foreign currency transactions	260
Net realized gain	<u>20</u>
Change in net unrealized gain / loss on:	
Assets and liabilities in foreign currencies	5,230
Change in net unrealized gain / loss	<u>5,230</u>
Net realized and unrealized gain / loss	<u>5,250</u>

Decrease in net assets from operations	<u>\$ (881)</u>
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Great Gray Collective Investment Trust

Franklin International Equity DBI CIT

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

Increase (Decrease) in Net Assets

Operations

Net investment loss	\$	(6,131)
Net realized gain		20
Change in net unrealized gain / loss		5,230
Decrease in net assets from operations		<u>(881)</u>
Decrease in net assets		(881)
Net assets, beginning of year		<u>181,428</u>
Net assets in liquidation, end of year	\$	<u>180,547</u>

Great Gray Collective Investment Trust

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Financial Highlights in Liquidation For the year ended December 31, 2023

Per Unit Operating Performance	Class R-INT
Net asset value in liquidation, beginning of year	\$ 12.22
Investment operations:	
Net investment loss ⁽¹⁾	(0.41)
Net realized and unrealized gain / loss ⁽¹⁾	0.35
Total from investment operations	(0.06)
Net asset value in liquidation, end of year	\$ 12.16
Total Return	(0.49)%
Supplemental Data	
Ratio to average net assets:	
Expenses	3.38% ⁽²⁾
Net investment loss	(3.38)% ⁽²⁾
Unit Activity	
Units, beginning of year	14,848
Issued	-
Redeemed	-
Units, end of year	<u>14,848</u>

⁽¹⁾ Based on average units outstanding.

⁽²⁾ Ratio includes a write off of prior year tax reclaim receivables which is shown as dividend expense on the Statement of Operations in Liquidation.

Great Gray Collective Investment Trust

Franklin International Equity DBI CIT

Notes to the Financial Statements in Liquidation

December 31, 2023

Note 1 – Organization

Great Gray Collective Investment Trust (the "Trust") is intended to constitute an exempt trust under Section 501(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and a group trust within the meaning of Rev. Rul. 81-100, as amended. The Trust is exempt from registration under the Investment Company Act of 1940, as amended, and the Securities Act of 1933, as amended. Great Gray Trust Company, LLC (the "Trustee") serves as the Trustee of the Trust.

The Trustee is responsible for maintaining and administering the Trust and the Franklin International Equity DBI CIT (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 to Great Gray Collective Investment Trust. 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 purpose of the Trust is to allow collective investments by plan sponsors of retirement plans which qualify for exemption from federal income taxation pursuant to Section 501(a) of 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. The Trust consists of separate funds with differing investment objectives, which are available for investment by participating plans. An eligible plan may join the Trust, subject to the Trustee's acceptance, and become a participating plan by executing participation documents specified by the Trustee. Not all funds within the Trust are presented herein. The Trustee has claimed an exclusion from the definition of commodity pool operator ("CPO") under the Commodity Exchange Act and the rules of the Commodity Futures Trading Commission ("CFTC") with respect to the Fund, and is therefore not subject to CFTC registration or regulation as a CPO with respect to the Fund.

The investment objective of the Fund is to seek broadly diversified equity exposure using efficient portfolio construction in order to achieve absolute risk-adjusted returns above the benchmark, MSCI EAFE Net Dividend Total Return Index USD, principally from investing in a globally diversified portfolio of approved securities and approved derivatives. The Trustee has engaged Franklin Advisers, Inc. (the "Sub-Advisor") to provide investment advice in connection with the investment of the Fund's assets. The Trustee maintains ultimate fiduciary authority over the management of and investments made in the Fund. The Sub-Advisor is engaged pursuant to a sub-advisor agreement.

Plan of Liquidation - The Trustee approved a plan of liquidation and concluded liquidation was imminent as defined in Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") subtopic 205-30, *Liquidation Basis of Accounting*. Under the plan of liquidation, the Fund plans to use cash to satisfy the Fund's obligations and pay the final redemption distribution to unit holders. As a result, the Fund changed its basis of accounting from the going concern basis to the liquidation basis of accounting effective July 5, 2022. Under the liquidation basis of accounting, assets are measured at the estimated amount of cash or other consideration that

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Notes to the Financial Statements in Liquidation (continued)

December 31, 2023

the Fund expects to collect in settling or disposing of those assets, and liabilities are measured at their estimated settlement amount, including costs that the Fund expects to incur through the end of its liquidation (liquidation value). Based on the nature of the Fund's assets as of December 31, 2023, the fair value approximates liquidation value. The use of the liquidation basis of accounting is substantially similar to the basis of accounting that the Fund had applied prior to the use of the liquidation basis of accounting. Therefore, the Trustee believes the adoption of the liquidation basis of accounting did not have a material effect on the carrying values of assets and liabilities as of December 31, 2023.

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 FASB ASC No. 946.

Net Asset Value ("NAV") – Units 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 fair 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.

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 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 Fund requires a plan sponsor to provide advance written notice of five business days for plan sponsor directed contributions and withdrawals which will exceed \$1 million.

Cash and Cash Equivalents – The Fund considers all highly liquid instruments with original maturities of three months or less at the acquisition date to be cash equivalents.

Foreign Currency Translation – The accounting records of the Fund are maintained in U.S. dollars. Investment securities and other assets and liabilities denominated in foreign currencies are translated daily into U.S. dollars using foreign currency exchange rates determined as of the close of regular trading on the NYSE. Purchases and sales of Fund securities, commitments under forward foreign currency contracts and income receipts are translated at the prevailing exchange rate as of the date of each transaction. Realized and unrealized gain or loss on the translation of foreign currency denominated investments is included as a component of net realized and unrealized gain or loss on investments in the Statement of Operations in Liquidation. Realized gain or loss on foreign currency transactions may include gains and losses from sales and maturities of foreign currency exchange contracts, gains and losses realized between the trade and settlement dates of foreign security transactions or the difference between the amount of net investment income accrued on foreign securities and the U.S. dollar amount actually received. Unrealized gain or loss on foreign currency transactions include gains and losses due to changes in the value of assets and liabilities, other

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Notes to the Financial Statements in Liquidation (continued)

December 31, 2023

than Fund securities, resulting from changes in exchange rates. Certain foreign exchange gains and losses included in realized and unrealized gains and losses are included in or are a reduction of ordinary income in accordance with U.S. federal income tax regulations.

Investment Transactions and Investment Income – The Fund records security transactions on a trade date basis. Dividend income is recorded on the ex-dividend date. Net realized gains and losses on investments are determined by the first-in, first-out method. Interest income and expenses are recorded daily on the accrual basis.

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 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.

Note 3 – 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 4 – Concentration of Ownership

As of December 31, 2023, the Fund had five unitholders holding 10% or more of the outstanding units of the Fund, and aggregated to 89.2% of the Fund's total units outstanding.

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Notes to the Financial Statements in Liquidation (continued)

December 31, 2023

Supplementary Information – Investments Purchased and Sold

Total investment purchases, sales proceeds and realized gain for the year ended December 31, 2023 are:

	Purchases at Cost	Sales Proceeds	Realized Gain
Money Market	\$ 84,373	\$ 84,373	\$ -