

**Lazard Small Cap Equity Select CIT**  
**Annual Report**  
**With Report of Independent Auditors**  
**December 31, 2024**

# Lazard Small Cap Equity Select CIT

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December 31, 2024

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## **Report of Independent Auditors**

To the Board of Managers of Great Gray Trust Company, LLC

### ***Opinion***

We have audited the accompanying financial statements of Lazard Small Cap Equity Select CIT (the "Fund"), which comprise the statement of assets and liabilities, including the portfolio of investments, as of December 31, 2024, and the related statements of operations, of changes in net assets, including the related notes, and the financial highlights for the year then ended (collectively referred to as the "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, 2024, and the results of its operations, changes in its net assets and the 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 (US GAAS). Our responsibilities under those standards are further described in the Auditors' 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 for one year after the date the financial statements are available to be issued.

### ***Auditors' 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 auditors' 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 US 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 US 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.

Price Waterhouse Coopers LLP

San Francisco, California  
April 30, 2025

## Portfolio of Investments

December 31, 2024

Description	Shares	Fair Value	Description	Shares	Fair Value
<b>Common Stocks   98.8%</b>					
Abacus Life, Inc.	31,582	\$ 247,287	Mirion Technologies, Inc.	12,061	\$ 210,464
Allegro MicroSystems, Inc.	17,365	379,599	MKS Instruments, Inc.	3,111	324,757
Antero Resources Corp.	13,103	459,260	Nordson Corp.	1,206	252,343
Arcutis Biotherapeutics, Inc.	23,738	330,670	Onto Innovation, Inc.	2,650	441,675
Atlas Energy Solutions, Inc.	12,577	278,958	Paycor HCM, Inc.	14,665	272,329
Aurinia Pharmaceuticals, Inc.	21,640	194,327	Reinsurance Group of America, Inc.	2,225	475,327
Axsome Therapeutics, Inc.	4,777	404,182	REV Group, Inc.	8,893	283,420
BankUnited, Inc.	15,908	607,208	RH	943	371,155
Beacon Roofing Supply, Inc.	3,593	364,977	Rhythm Pharmaceuticals, Inc.	5,616	314,384
BJ's Wholesale Club Holdings, Inc.	4,178	373,304	Roku, Inc.	4,344	322,933
Brixmor Property Group, Inc. REIT	13,144	365,929	RxSight, Inc.	13,015	447,456
Cactus, Inc., Class A	3,102	181,033	Schrodinger, Inc.	18,052	348,223
Cars.com, Inc.	23,271	403,286	StepStone Group, Inc., Class A	9,364	541,988
Casella Waste Systems, Inc., Class A	3,023	319,864	Stifel Financial Corp.	4,070	431,746
Cognex Corp.	8,294	297,423	The Chefs' Warehouse, Inc.	10,579	521,756
Coherent Corp.	4,037	382,425	The Hanover Insurance Group, Inc.	1,179	182,344
Columbus McKinnon Corp.	9,897	368,564	The Toro Co.	5,355	428,935
Commerce Bancshares, Inc.	5,442	339,091	Thor Industries, Inc.	3,275	313,450
Credo Technology Group Holding, Ltd.	2,713	182,341	Verra Mobility Corp.	15,473	374,137
Crocs, Inc.	2,534	277,549	Warby Parker, Inc., Class A	11,718	283,693
CubeSmart REIT	10,021	429,400	Wintrust Financial Corp.	4,281	533,883
CyberArk Software, Ltd.	749	249,529	Wyndham Hotels & Resorts, Inc.	3,682	371,109
DigitalBridge Group, Inc.	31,609	356,550	Zeta Global Holdings Corp., Class A	25,339	455,849
DigitalOcean Holdings, Inc.	14,279	486,486	Ziff Davis, Inc.	5,067	275,341
Eagle Materials, Inc.	835	206,045			
EnerSys	3,640	336,445	<b>Total Common Stocks</b>		
Enovis Corp.	10,289	451,481	(Cost \$22,659,804)		24,596,773
Evercore, Inc., Class A	1,009	279,685	<b>Money Market Trusts   1.1%</b>		
Evolent Health, Inc., Class A	16,733	188,246	NT Collective Government Short Term		
First American Financial Corp.	8,104	506,014	Investment Fund		
First Watch Restaurant Group, Inc.	19,715	366,896	(Cost \$287,035)	287,035	287,035
Gates Industrial Corp. PLC	18,618	382,972	<b>Total Investments   99.9%</b>		
Generac Holdings, Inc.	1,228	190,401	(Cost \$22,946,839)		\$ 24,883,808
Gentherm, Inc.	8,161	325,828	<b>Cash and Other Assets in Excess of</b>		
Graphic Packaging Holding Co.	9,307	252,778	<b>Liabilities   0.1%</b>		14,575
Guardian Pharmacy Services, Inc.,					
Class A	12,556	254,385	<b>Net Assets   100.0%</b>		\$ 24,898,383
Hayward Holdings, Inc.	15,300	233,937			
Home BancShares, Inc.	14,522	410,973			
Hudson Technologies, Inc.	29,934	167,032			
Inspire Medical Systems, Inc.	1,992	369,277			
Janux Therapeutics, Inc.	5,631	301,484			
Kura Sushi USA, Inc., Class A	3,079	278,896			
Landstar System, Inc.	1,498	257,446			
Lantheus Holdings, Inc.	3,634	325,098			
Liberty Energy, Inc.	10,088	200,650			
Magnolia Oil & Gas Corp., Class A	10,163	237,611			
Maravai LifeSciences Holdings, Inc.,					
Class A	62,686	341,639			
MediaAlpha, Inc., Class A	22,257	251,282			
Middleby Corp.	3,118	422,333			

Security Abbreviations:  
REIT —Real Estate Investment Trust

The accompanying notes are an integral part of these financial statements.

**Portfolio of Investments** (continued)December 31, 2024

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**Portfolio holdings by industry as a percentage of net assets:****Common Stocks**

Automobile Components	1.3%
Automobiles	1.3
Banks	7.6
Biotechnology	4.6
Building Products	0.9
Capital Markets	6.5
Commercial Services & Supplies	1.3
Construction Materials	0.8
Consumer Staples Distribution & Retail	4.6
Containers & Packaging	1.0
Electrical Equipment	2.1
Electronic Equipment, Instruments & Components	3.6
Energy Equipment & Services	2.7
Entertainment	1.3
Ground Transportation	1.0
Health Care Equipment & Supplies	6.4
Health Care Technology	2.2
Hotels, Restaurants & Leisure	4.1
Insurance	5.7
Interactive Media & Services	3.7
IT Services	2.0
Life Sciences Tools & Services	1.4
Machinery	8.6
Oil, Gas & Consumable Fuels	2.8
Pharmaceuticals	1.6
Professional Services	2.6
Retail Real Estate Investment Trusts (REITs)	1.5
Semiconductors & Semiconductor Equipment	5.3
Software	2.8
Specialized Real Estate Investment Trusts (REITs)	1.7
Specialty Retail	2.6
Textiles, Apparel & Luxury Goods	1.1
Trading Companies & Distributors	2.1
Subtotal	98.8%
<b>Money Market Trusts</b>	1.1
Total Investments	99.9%

*The accompanying notes are an integral part of these financial statements.*

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*Lazard Small Cap Equity Select CIT*

**Statement of Assets and Liabilities**

**December 31, 2024**

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**Assets**

Investments in securities, at fair value (cost \$22,946,839)	\$	24,883,808
Cash and cash equivalents		21,901
Receivables for:		
Dividends		5,359
<b>Total Assets</b>		<u>24,911,068</u>

**Liabilities**

Payables for:		
Units redeemed		4,267
Trustee fees (Note 4)		3,918
Custodian fees		2,367
Professional services		2,133
<b>Total Liabilities</b>		<u>12,685</u>
<b>Net Assets</b>	\$	<u>24,898,383</u>

**Class LZ**

Net Assets	\$	24,898,383
Units Outstanding		1,601,374
Net Asset Value per Unit	\$	15.5481

*The accompanying notes are an integral part of these financial statements.*

**Statement of Operations**

**For the Year Ended December 31, 2024**

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**Investment Income (Loss)**

**Income**

Dividends	\$ 218,988
<b>Total investment income</b>	<u>218,988</u>

**Expenses**

Trustee fees (Note 4)	15,285
Custodian fees	7,141
Professional services	<u>5,933</u>
<b>Total expenses</b>	<u>28,359</u>
<b>Net investment income (loss)</b>	<u>190,629</u>

**Net Realized and Unrealized Gain (Loss)**

Net realized gain (loss) on investments	<u>2,954,003</u>
Net change in unrealized appreciation (depreciation) on investments	<u>(324,541)</u>
<b>Net realized and unrealized gain (loss)</b>	<u>2,629,462</u>
<b>Net increase (decrease) in net assets resulting from operations</b>	<u>\$ 2,820,091</u>

*The accompanying notes are an integral part of these financial statements.*



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*Lazard Small Cap Equity Select CIT*

**Statement of Changes in Net Assets**

**For the Year Ended December 31, 2024**

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**Increase (Decrease) in Net Assets**

**Operations:**

Net investment income (loss)	\$	190,629
Net realized gain (loss)		2,954,003
Net change in unrealized appreciation (depreciation)		(324,541)
<b>Net increase (decrease) in net assets resulting from operations</b>		<u>2,820,091</u>

**Unitholder Transactions:**

Proceeds from units sold		1,787,105
Cost of units redeemed		(6,278,434)
<b>Net increase (decrease) in net assets from unitholder transactions</b>		<u>(4,491,329)</u>
Total increase (decrease) in net assets		(1,671,238)
Net assets at beginning of year		26,569,621
<b>Net assets at end of year</b>	\$	<u><u>24,898,383</u></u>

**Changes in Units:**

Units outstanding at beginning of year		1,914,192
Units sold		122,147
Units redeemed		(434,965)
Net increase (decrease) in units		(312,818)
Units outstanding at end of year		<u><u>1,601,374</u></u>

*The accompanying notes are an integral part of these financial statements.*

**Financial Highlights – Class LZ**

Selected data per unit outstanding throughout the year ended December 31, 2024

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Net asset value, beginning of year	\$ 13.8800
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**Income (Loss) from investment operations:**

Net investment income (loss) <sup>(a)</sup>	0.1106
Net realized and unrealized gain (loss)	1.5575
Total from investment operations	1.6681
Net asset value, end of year	\$ 15.5481

<b>Total Return</b> <sup>(b)</sup>	12.02%
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**Ratios and Supplemental Data:**

Net assets, end of year (in thousands)	\$ 24,898
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Ratio to average net assets<sup>(c)</sup>:

Total expenses	0.11%
Net investment income (loss)	0.75%

<sup>(a)</sup> Net investment income (loss) has been computed based on the average daily units outstanding.

<sup>(b)</sup> Total return calculation is based on the value of a single unit of participation outstanding throughout the year. It represents the percentage change in the net asset value per unit between the beginning of the year and end of the year and assumes reinvestment of all distributions, if any. The calculation includes only those expenses charged directly to the CIT. Individual unitholders may incur administration or other fees related to the management or maintenance of their individual unitholder accounts, which would have the effect of reducing a unitholder's net return on their investments in the CIT. An individual unitholder's return may also vary based on the timing of capital transactions and fees.

<sup>(c)</sup> Ratios to average net assets do not reflect expenses charged directly to the unitholders. An individual unitholder's ratios to average net assets may vary based on the timing of unitholder transactions and fees.

# Lazard Small Cap Equity Select CIT

## Notes to Financial Statements

December 31, 2024

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### **(1) Organization**

Lazard/Great Gray Collective Trust (the "Trust"), is a trust formed pursuant to a Declaration of Trust dated August 2, 1999, as amended and/or restated from time to time and governed by the laws of the State of Nevada. The Lazard Small Cap Equity Select CIT (the "Fund") is a portfolio of the Trust. This report includes only the financial statements of the Fund. The financial statements of other portfolios within the Trust, if any, are presented separately. The Fund's investment objective is to seek long-term capital appreciation and to generate a total return in excess of the benchmark over a full market cycle. The benchmark is the Russell 2000<sup>®</sup> Index.

Great Gray Trust Company, LLC (the "Trustee"), a related party of the Trust, is the Trustee of the Trust and is responsible for maintaining and administering the Trust and the Fund. The Trustee is ultimately controlled by Madison Dearborn Partners, LLC ("MDP"), a registered investment adviser and private equity firm based in Chicago, IL. MDP and its controlled subsidiaries are the general partners to the investment funds that own substantially all of the Trustee through intermediate holding companies. Lazard Asset Management LLC (the "Sub-Advisor"), a subsidiary of Lazard Frères & Co. LLC, provides sub-advisory services for the investment assets of the Fund. The Northern Trust Company ("Northern Trust") provides custody, transfer agency, and accounting services for the Fund. The custodian and unitholders' services fees are accrued daily and paid monthly. The Trustee maintains ultimate fiduciary authority over the management of and investments made in the Fund.

According to the Fund Declaration, the Fund is divided into classes, which shall be identical except as to expenses to be borne by a particular class. Additional classes may be added by the Trustee in its discretion. As of December 31, 2024, the Fund had one funded class: Class LZ.

### **(2) Significant Accounting Policies**

The accompanying financial statements are presented in conformity with US Generally Accepted Accounting Principles ("GAAP"). The Fund is an investment company and therefore applies specialized accounting guidance in accordance with Accounting Standards Codification Topic 946. The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of the financial statements:

#### ***(a) Valuation of Investments***

Equity securities traded on a securities exchange or market, including exchange-traded option contracts, rights and warrants, are valued at the last reported sales price (for US listed equity securities) or the closing price (for non-US listed equity securities) on the exchange or market on which the security is principally traded or, for securities trading on the NASDAQ National Market System ("NASDAQ"), the NASDAQ Official Closing Price. If there is no available closing price for a non-US listed equity security, the last reported sales price is used. If there are no reported sales of a security on the valuation date, the security is valued at the most recent quoted bid price on such date reported by such principal exchange or market. Investments in money market trusts are valued using the net asset value ("NAV") per share (or its equivalent) as a practical expedient in accordance with the specialized accounting guidance for investment companies.

Calculation of the Fund's NAV may not take place contemporaneously with the determination of the prices of fund assets used in such calculation. Trading on certain non-US securities exchanges or markets, such as those in Europe and Asia, ordinarily may be completed before the close of business on each business day in New York (i.e., a day on which the New York Stock Exchange (the "NYSE") is open). In addition, securities trading in a particular non-US country or countries may not take place on all business days in New York and on which the NAV of the Fund is calculated.

If a significant event materially affecting the value of securities occurs between the close of the exchange or market on which the security is principally traded and the time when the Fund's NAV is calculated, or when current market quotations otherwise are determined not to be readily available or reliable (including restricted or other illiquid securities such as certain derivative instruments), such securities will

# Lazard Small Cap Equity Select CIT

## Notes to Financial Statements (continued)

December 31, 2024

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be valued at their fair value as determined by, or in accordance with procedures approved by, the Sub-Advisor. Certain non-US securities may trade on days when the Fund is not open for business, thus affecting the value of the Fund's assets on days when Fund unitholders may not be able to buy or sell Fund units.

The Sub-Advisor may evaluate a variety of factors to determine the fair value of securities for which market quotations are determined not to be readily available or reliable. These factors include, but are not limited to, the type of security, the value of comparable securities, observations from financial institutions and relevant news events. Input from the Sub-Advisor's fund management team also will be considered.

### ***(b) Fund Securities Transactions and Investment Income***

Fund securities transactions are accounted for on trade date. Realized gain (loss) on sales of investments are recorded on an average cost basis. Dividend income is recorded on the ex-dividend date except for certain dividends from non-US securities where the dividend rate is not available. In such cases, the dividend is recorded as soon as the information is received by the Fund. Interest income, if any, is accrued daily. The Fund's income, expenses (other than class specific expenses) and realized and unrealized gains and losses are allocated proportionally each day between the classes based upon the relative net assets of each class.

The Fund may be subject to taxes imposed by non-US countries in which it invests. Such taxes are generally based upon income earned or capital gains (realized and/or unrealized). The Fund accrues and applies such taxes to net investment income, net realized gains and net unrealized gains concurrent with the recognition of income earned or capital gains (realized and/or unrealized) from the applicable fund securities.

### ***(c) Income Taxes***

The Fund intends to continue to be exempt from taxation under section 501(a) of the Internal Revenue Code and qualify as a group trust under IRS Revenue Ruling 81-100 and any amendments thereto, and other applicable IRS rules and regulations. No provision for federal income taxes is made in the financial statements of the Fund.

Management has analyzed the Fund's tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on tax returns filed for any open tax years (or expected to be taken on future tax returns). Open tax years are those that remain subject to examination and are based on each tax jurisdiction's statute of limitations.

### ***(d) Distributions to Unitholders***

Net investment income and net realized gains are retained by the Fund.

### ***(e) Estimates***

The preparation of financial statements in conformity with GAAP 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 increases and decreases in net assets resulting from operations during the reporting period. Actual results could differ from those estimates.

# Lazard Small Cap Equity Select CIT

## Notes to Financial Statements (continued)

December 31, 2024

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### **(f) Net Asset Value**

NAV per unit for each class of the Fund is determined each day the NYSE is open for trading as of the close of regular trading on the NYSE (generally 4:00 p.m. Eastern time). The Fund will not treat an intraday unscheduled disruption in NYSE trading as a closure of the NYSE, and will price its units as of 4:00 p.m., if the particular disruption directly affects only the NYSE. The NAV per unit of a class is determined by dividing the value of the total assets of the Fund represented by such class, less all liabilities, by the total number of Fund units of such class outstanding.

### **(3) Short Term Investments**

Cash is held by Northern Trust which, as contracted on behalf of the Fund, sweeps cash on each business day into the NT Collective Government Short Term Investment Fund, a collective fund in the Northern Trust Investments Collective Funds Trust, which is included in the Portfolio of Investments.

### **(4) Sub-Advisor and Trustee Fees**

Pursuant to the Sub-Advisor Agreement, the Sub-Advisor regularly provides the Fund with investment research, advice and supervision and furnishes continuously an investment program consistent with its investment objectives and policies, including the purchase, retention and disposition of securities, and provides the Fund with administrative, operational and compliance assistance services. For its services provided to the Fund, the Sub-Advisor does not charge an investment advisory fee on Class LZ net assets.

The Sub-Advisor has voluntarily agreed to waive its fees and, if necessary, reimburse the Fund if the aggregate direct expenses of the Fund, exclusive of the taxes, brokerage, interest on borrowings, fees and expenses of "Acquired Funds" and extraordinary expenses, and excluding other transaction fees, exceed 0.25% of the value of the average daily net assets for Class LZ. For purposes of this item, an "Acquired Fund" means any company in which the Fund invests or has invested during the relevant fiscal period that (A) is an investment company or (B) would be an investment company under section 3(a) of the Investment Company Act (15 U.S.C. 80a-3(a)) but for the exceptions to that definition provided for in sections 3(c)(1) and 3(c)(7) of the Investment Company Act (15 U.S.C. 80a-3(c)(1) and 80a-3(c)(7)).

The Trustee is responsible for certain administrative and financial reporting functions. For these services, Class LZ of the Fund pays the Trustee an annualized fee of 0.06% of Class LZ net assets. The trustee fees are accrued daily and paid quarterly.

### **(5) Unitholders' Transactions**

The Fund offers units for sale and redemption of its units at the NAV of Class LZ as of the close of each business day. Refer to the Statement of Changes in Net Assets for unitholder activities for the year.

### **(6) Investment Risks**

#### **(a) Non-US Securities Risk**

The Fund's performance will be influenced by political, social and economic factors affecting the non-US countries and companies in which the Fund invests. Non-US securities carry special risks, such as less developed or less efficient trading markets, political instability, a lack of company information, differing auditing and legal standards, and, potentially, less liquidity. Non-US securities may be subject to economic sanctions or other similar governmental actions or developments, which could, among other things, effectively restrict or eliminate the Fund's ability to purchase or sell certain foreign securities. To the extent the Fund holds securities subject to such actions, the

# Lazard Small Cap Equity Select CIT

## Notes to Financial Statements (continued)

December 31, 2024

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securities may become difficult to value and/or less liquid (or illiquid). In some cases, the securities may become worthless. In addition, investments denominated in currencies other than US dollars may experience a decline in value, in US dollar terms, due solely to fluctuations in currency exchange rates.

### ***(b) Unitholder Concentration Risk***

As of December 31, 2024, the Fund had one unitholder holding 10% or more of the outstanding units of the Fund, and aggregated to 100.00% of the Fund's total units outstanding.

### ***(c) Counterparty Default Risk***

Certain investment techniques the Fund may employ involve risk that the counterparty to such instruments will become insolvent or otherwise default on its obligation to perform as agreed. In the event of such default, the Fund may have limited recourse against the counterparty and may experience delays in the recovery (or loss) of collateral.

### ***(d) Realty Companies, Real Estate Investments and REITs Risk***

Funds that invest in Realty Companies, Real Estate Investments and/or REITs could lose money due to the performance of real estate-related securities even if securities markets generally are experiencing positive results. The performance of investments made by a Fund may be determined to a great extent by the current status of the real estate industry in general, or by other factors (such as interest rates and the availability of loan capital) that may affect the real estate industry, even if other industries would not be so affected. Consequently, the investment strategies of a Fund could lead to securities investment results that may be significantly different from investments in securities of other industries or sectors or in a more broad-based portfolio generally.

The risks related to investments in Realty Companies and Real Estate Investments include, but are not limited to: adverse changes in general economic and local market conditions; adverse developments in employment; changes in supply or demand for similar or competing properties; unfavorable changes in applicable taxes, governmental regulations and interest rates; operating or development expenses; and lack of available financing.

REITs are subject to similar risks as Real Estate Investments and Realty Companies. The risks related to investments in Real Estate Investments and Realty Companies include, but are not limited to: adverse changes in general economic and local market conditions; adverse developments in employment; changes in supply or demand for similar or competing properties; unfavorable changes in applicable taxes, governmental regulations and interest rates; operating or development expenses; and lack of available financing. Due to certain special considerations that apply to REITs, investments in REITs may carry additional risks not necessarily present in investments in other securities. REIT securities (including those trading on national exchanges) typically have trading volumes that are less than those of common stocks of other stocks traded on national exchanges, which may affect a Fund's ability to trade or liquidate those securities. An investment in REITs may be adversely affected if the REIT fails to comply with applicable laws and regulations. Failure to qualify with any of these requirements could jeopardize a company's status as a REIT. A Fund generally will have no control over the operations and policies of a REIT, and they generally will have no ability to cause a REIT to take the actions necessary to qualify as a REIT.

### ***(e) Market Risk***

The Fund may incur losses due to declines in one or more markets in which it invests. These declines may be the result of, among other things, political, regulatory, market, economic or social developments affecting the relevant market(s). To the extent that such developments impact specific industries, market sectors, countries or geographic regions, the Fund's investments in such industries, market sectors, countries and/or geographic regions can be expected to be particularly affected, especially if such investments are a significant portion of its investment portfolio. In addition, turbulence in financial markets and reduced liquidity in equity, credit and/or fixed income markets may negatively affect many issuers, which could adversely affect the Fund. Global economies and financial markets are

# Lazard Small Cap Equity Select CIT

## Notes to Financial Statements (continued)

December 31, 2024

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increasingly interconnected, and conditions and events in one country, region or financial market may adversely impact issuers worldwide. As a result, local, regional or global events such as war, acts of terrorism, the spread of infectious illness or other public health issues, recessions or other events could have a significant negative impact on global economic and market conditions.

### **(7) Contractual Obligations**

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.

### **(8) Fair Value Measurements**

Fair value is defined as the price that the Fund would receive to sell an asset, or would pay to transfer a liability, in an orderly transaction between market participants at the date of measurement. The Fair Value Measurements and Disclosures provisions of GAAP also establish a framework for measuring fair value, and a three-level hierarchy for fair value measurement that is based upon the transparency of inputs to the valuation of an asset or liability. Inputs may be observable or unobservable and refer, broadly, to the assumptions that market participants would use in pricing the asset or liability. Observable inputs reflect the assumptions that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Fund. Unobservable inputs reflect the Fund's own assumptions about the assumptions that market participants would use in pricing the asset or liability, developed based on the best information available in the circumstances. The fair value measurement level within the fair value hierarchy for the assets and liabilities of the Fund is based on the lowest level of any input that is significant to the overall fair value measurement. The three-level hierarchy of inputs is summarized below:

- Level 1 – unadjusted quoted prices in active markets for identical assets and liabilities
- Level 2 – other significant observable inputs (including unadjusted quoted prices for similar assets and liabilities, interest rates, prepayment speeds, credit risk, etc.)
- Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of assets and liabilities)

Changes in valuation methodology or input may result in transfers into or out of the current assigned level within the hierarchy.

The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in these securities.

# Lazard Small Cap Equity Select CIT

## Notes to Financial Statements (continued) December 31, 2024

The following table summarizes the valuation of the Fund's assets and liabilities by each fair value hierarchy level as of December 31, 2024:

Description	Unadjusted Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Investments Measured at Net Asset Value*	Balance as of December 31, 2024
Common Stocks**	\$ 24,596,773	\$ —	\$ —	\$ —	\$ 24,596,773
Money Market Trusts	—	—	—	287,035	287,035
Total	<u>\$ 24,596,773</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 287,035</u>	<u>\$ 24,883,808</u>

\* Certain investments that are measured at fair value using the net asset value per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statement of Assets and Liabilities.

\*\* Please refer to Portfolio of Investments for portfolio holdings by industry.

### (9) Subsequent Events

Management has evaluated subsequent events affecting the Fund through April 30, 2025, the date that these financial statements were available to be issued, and has determined that there were no other subsequent events that required adjustment or disclosure.