

**Lazard Core Fixed Income CIT
Annual Report
With Report of Independent Auditors
December 31, 2023**

Lazard Core Fixed Income CIT

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Report of Independent Auditors

To the Trustee of Lazard Core Fixed Income CIT

Opinion

We have audited the accompanying financial statements of Lazard Core Fixed Income CIT (the “Fund”), which comprise the statement of assets and liabilities, including the portfolio of investments, as of December 31, 2023 and the related statements of operations and 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, 2023, 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
March 28, 2024

Lazard Core Fixed Income CIT

Portfolio of Investments

December 31, 2023

Description	Principal Amount	Fair Value	Description	Principal Amount	Fair Value
Asset-Backed Securities 6.5%			Consumer, Cyclical 0.8%		
AMSR 2020-SFR1 Trust, 1.82%, 4/17/2037	\$ 924,113	\$ 878,648	Hilton Domestic Operating Co., Inc., 3.63%, 2/15/2032	\$ 600,000	\$ 523,811
CF Hippolyta Issuer LLC, 1.53%, 3/15/2061	612,591	547,696	Consumer, Non-cyclical 1.6%		
New Economy Assets Phase 1 Sponsor LLC, 1.91%, 10/20/2061	550,000	481,503	Albertsons Cos., Inc./Safeway, Inc./New Albertsons L.P./Albertsons LLC, 3.50%, 3/15/2029	625,000	567,780
Progress Residential 2020-SFR3 Trust, 1.29%, 10/17/2027	545,432	507,318	Hologic, Inc., 3.25%, 2/15/2029	600,000	543,869
Tricon Residential 2022-SFR1 Trust, 3.86%, 4/17/2039	699,498	665,840			1,111,649
Triumph Rail Holdings LLC, 2.15%, 6/19/2051	734,644	655,753	Financials 11.7%		
TRP 2021 LLC, 2.07%, 6/19/2051	893,444	790,457	Bank of America Corp., 5.02%, 7/22/2033†	1,400,000	1,386,791
Total Asset-Backed Securities (Cost \$4,956,579)		4,527,215	Citibank N.A., 5.80%, 9/29/2028	1,300,000	1,359,031
Collateralized Mortgage Obligations 37.2%			JP Morgan Chase & Co., 6.09%, 10/23/2029†	1,325,000	1,394,218
Benchmark 2019-B15 Mortgage Trust, 2.93%, 12/15/2072	825,000	715,323	SBA Communications Corp., 3.13%, 2/1/2029	625,000	561,658
COMM 2016-787S Mortgage Trust, 3.55%, 2/10/2036	1,125,000	1,049,545	The Goldman Sachs Group, Inc., 4.00%, 3/3/2024	675,000	673,025
Fannie Mae			The Goldman Sachs Group, Inc., 6.48%, 10/24/2029†	1,325,000	1,407,381
1.50%, 6/1/2036 - 1/1/2041	5,050,523	4,375,142	Wells Fargo & Co., 6.30%, 10/23/2029†	1,350,000	1,424,088
2.00%, 5/1/2040 - 12/1/2051	12,271,766	10,278,027			8,206,192
2.50%, 9/1/2051 - 1/1/2052	4,123,019	3,510,229	Industrials 0.7%		
Flagstar Mortgage Trust 2021-11INV, 2.50%, 11/25/2051†	532,841	462,534	Standard Industries, Inc., 3.38%, 1/15/2031	600,000	516,114
Flagstar Mortgage Trust 2021-3INV, 2.50%, 6/25/2051†	495,186	431,827	Total Corporate Bonds (Cost \$11,663,857)		
Flagstar Mortgage Trust 2021-5INV, 2.50%, 7/25/2051†	357,565	312,048			11,415,289
Freddie Mac			Municipal Bonds 2.1%		
1.50%, 1/1/2041	850,784	710,720	State of California, 5.88%, 10/1/2041 (Cost \$1,349,013)	1,375,000	1,444,516
2.50%, 7/1/2051 - 12/1/2051	3,912,128	3,333,907	U.S. Government Obligations 37.0%		
Manhattan West 2020-1MW Mortgage Trust, 2.13%, 9/10/2039	1,000,000	883,952	U.S. Treasury Bonds 5.7%		
Total Collateralized Mortgage Obligations (Cost \$26,972,542)		26,063,254	U.S. Treasury Bonds, 3.63%, 5/15/2053	540,000	501,694
Corporate Bonds 16.3%			U.S. Treasury Bonds, Strip Principal, 0.00%, 11/15/2051	10,515,000	3,468,538
Communications 1.5%					3,970,232
CCO Holdings LLC/CCO Holdings Capital Corp., 4.25%, 2/1/2031	600,000	524,423	U.S. Treasury Notes 31.3%		
Lamar Media Corp., 3.63%, 1/15/2031	600,000	533,100	U.S. Treasury Notes, 3.75%, 12/31/2028	240,000	239,138
		1,057,523	U.S. Treasury Notes, 4.13%, 7/31/2028	705,000	712,931
			U.S. Treasury Notes, 4.38%, 8/31/2028	6,850,000	7,003,055
			U.S. Treasury Notes, 4.38%, 11/30/2028	245,000	250,953

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

Lazard Core Fixed Income CIT

Portfolio of Investments (concluded)

December 31, 2023

Description	Principal Amount	Fair Value
U.S. Treasury Notes, 4.63%, 9/30/2028	\$ 12,155,000	\$ 12,558,109
U.S. Treasury Notes, 4.88%, 10/31/2028	1,085,000	1,133,655
		<u>21,897,841</u>
Total U.S. Government Obligations (Cost \$25,281,961)		<u>25,868,073</u>
	<u>Shares</u>	
Money Market Trusts 0.6%		
NT Collective Government Short Term Investment Fund (Cost \$415,073)	415,073	<u>415,073</u>
Total Investments 99.7% (Cost \$70,639,025)		\$ 69,733,420
Cash and Other Assets in Excess of Liabilities 0.3%		<u>221,655</u>
Net Assets 100.0%		<u>\$ 69,955,075</u>

Notes to Portfolio of Investments:

† Variable rate security.

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

Lazard Core Fixed Income CIT

Statement of Assets and Liabilities

December 31, 2023

Assets

Investments in securities, at fair value (cost \$70,639,025)	\$	69,733,420
Receivables for:		
Dividends		1,200
Interest		509,481
Prepaid expenses		8,579
Total Assets		<u>70,252,680</u>

Liabilities

Payables for:		
Investment purchased		239,302
Professional services		30,400
Investment advisory fees (Note 4)		17,247
Trustee fees (Note 4)		8,624
Custodian fees		2,032
Total Liabilities		<u>297,605</u>
Net Assets	\$	<u>69,955,075</u>

Class 3

Net Assets	\$	69,954,960
Units Outstanding		7,551,268
Net Asset Value per Unit	\$	9.26

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

Lazard Core Fixed Income CIT

Statement of Operations

For the Year Ended December 31, 2023

Investment Income (Loss)

Income

Dividends	\$	47,449
Interest		2,536,930
Total investment income		<u>2,584,379</u>

Expenses

Investment advisory fees (Note 4)		68,515
Trustee fees (Note 4)		34,258
Professional services		28,243
Custodian fees		6,647
Total gross expenses		<u>137,663</u>
Investment advisory fees waived and expenses reimbursed (Note 4)		<u>(34,891)</u>
Total net expenses		<u>102,772</u>
Net investment income (loss)		<u>2,481,607</u>

Net Realized and Unrealized Gain (Loss)

Net realized gain (loss) on investments		<u>(5,415,553)</u>
Net change in unrealized appreciation (depreciation) on investments		<u>5,995,102</u>
Net realized and unrealized gain (loss)		<u>579,549</u>
Net increase (decrease) in net assets resulting from operations	\$	<u>3,061,156</u>

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

Statement of Changes in Net Assets

For the Year Ended December 31, 2023

Increase (Decrease) in Net Assets

Operations:

Net investment income (loss)	\$	2,481,607
Net realized gain (loss)		(5,415,553)
Net change in unrealized appreciation (depreciation)		5,995,102
Net increase (decrease) in net assets resulting from operations		<u>3,061,156</u>

Unitholder Transactions (Note 5):

Proceeds from units sold		7,000,000
Cost of units redeemed		(3,400,000)
Net increase (decrease) in net assets from unitholder transactions		<u>3,600,000</u>
Total increase (decrease) in net assets		6,661,156
Net assets at beginning of year		63,293,919
Net assets at end of year	\$	<u><u>69,955,075</u></u>

Changes in Units (Note 5):

Units outstanding at beginning of year		7,163,291
Units sold		770,925
Units redeemed		(382,948)
Net increase (decrease) in units		387,977
Units outstanding at end of year		<u><u>7,551,268</u></u>

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

Financial Highlights – Class 3

Selected data per unit outstanding throughout the year ended December 31, 2023

Net asset value, beginning of year	\$ 8.84
Income (Loss) from investment operations:	
Net investment income (loss) (a)	0.32
Net realized and unrealized gain (loss)	0.10
Total from investment operations	0.42
Net asset value, end of year	\$ 9.26

Total Return (b) 4.75%

Ratios and Supplemental Data:

Net assets, end of year (in thousands)	\$ 69,955
Ratio to average net assets (c):	
Net expenses	0.15%
Gross expenses	0.20%
Net investment income (loss)	3.62%

- (a) Net investment income (loss) has been computed based on the average daily units outstanding.
- (b) Certain expenses of the CIT have been waived or reimbursed by the Sub-Advisor; without such waiver/reimbursement of expenses, the CIT's return would have been lower. 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.
- (c) 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 Core Fixed Income CIT

Notes to Financial Statements

December 31, 2023

(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 Core Fixed Income 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 preservation of capital and seeks to generate excess returns within a volatility framework that is representative of investment grade active management to outperform the total return of the benchmark over a complete investment cycle. The benchmark is Barclays Capital U.S. Aggregate Bond Index.

Great Gray Trust Company LLC, a related party of the Trust, is the Trustee of the Trust and is responsible for maintaining and administering the Trust and the Fund. 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 (the "Custodian") is the Custodian of the Fund and is responsible for custody of the Fund's assets and providing transfer agent, recordkeeping and accounting functions. The custodian and unitholders' services fees are accrued daily and paid monthly. Northern Trust is an Illinois corporation, and a wholly-owned subsidiary of The Northern Trust Corporation, a Delaware corporation having its principal office in Chicago, Illinois.

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 Lazard/Wilmington Collective Trust to Lazard/Great Gray Collective 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. Effective June 2, 2023, the Fund's name changed from Lazard/Wilmington Core Fixed Income 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, 2023, the Fund had one funded class: Class 3.

(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

Bonds and other fixed-income securities that are not exchange-traded are valued on the basis of prices provided by independent pricing services which are based on, among other things, trading in securities with similar characteristics, brokers' quotations and/or a matrix system which considers such factors as other security prices, yields and maturities. Investments in money market trusts are valued using the net asset value ("NAV") per share (or its equivalent) as a practical expedient.

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.

Lazard Core Fixed Income CIT

Notes to Financial Statements (continued)

December 31, 2023

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 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 managers/analysts 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. Interest income is accrued daily. The Fund amortizes premiums and accretes discounts on fixed-income securities using the effective yield method and mortgage-backed securities using the level yield method. 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.

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Notes to Financial Statements (continued)

December 31, 2023

(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 earns an investment advisory fee at an annualized rate of 0.10% of the average daily net assets for Class 3. The investment advisory fees are accrued daily and paid quarterly.

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 taxes, brokerage, interest on borrowings, fees and expenses of "Acquired Funds" and extraordinary expenses, exceed 0.15% of the average daily net assets for Class 3. 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)). During the year ended December 31, 2023, the Sub-Advisor waived \$34,891 of its fees for Class 3.

The Trustee is responsible for certain administrative and financial reporting functions. For these services, the Fund pays the Trustee an annualized fee of 0.05% on 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 as of the close of each business day. Refer to 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 Core Fixed Income CIT

Notes to Financial Statements (continued)

December 31, 2023

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, 2023, the Fund had two unitholders holding 10% or more of the outstanding units of the Fund, and aggregated to 100.00% of the Fund's total units outstanding.

(c) 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 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. The coronavirus disease 2019 (COVID-19) global pandemic and the aggressive responses taken by many governments or voluntarily imposed by private parties, including closing borders, restricting travel and imposing prolonged quarantines or similar restrictions, as well as the closure of, or operational changes to, many retail and other businesses, has had negative impacts, and in many cases severe negative impacts, on markets worldwide. It is not known how long such impacts, or any future impacts of other significant events described above, will or would last, but there could be a prolonged period of global economic slowdown, which may be expected to impact the Fund and its investments.

(d) Mortgage-Backed and Asset-Backed Securities

Investments in mortgage-backed ("MBS") and asset-backed securities ("ABS") may be subject to increased price volatility because of changes in interest rates, issuer information availability, credit quality of the underlying assets, market perception of the issuer, availability of credit enhancement, and prepayment of principal. The value of ABS and MBS may be adversely affected if the underlying borrower fails to pay the loan included in the security.

(7) Contractual Obligations

The Fund enters into contracts in the normal course of business that contain a variety of indemnification provisions. The Fund's maximum exposure under these arrangements is unknown. Management has reviewed the Fund's existing contracts and expects the risk of loss to be remote.

(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

Lazard Core Fixed Income CIT

Notes to Financial Statements (concluded) December 31, 2023

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.

The following table summarizes the valuation of the Fund's assets and liabilities by each fair value hierarchy level as of December 31, 2023:

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, 2023
Asset-Backed Securities	\$ —	\$ 4,527,215	\$ —	\$ —	\$ 4,527,215
Collateralized Mortgage Obligations	—	26,063,254	—	—	26,063,254
Corporate Bonds	—	11,415,289	—	—	11,415,289
Municipal Bonds	—	1,444,516	—	—	1,444,516
U.S. Government Obligations	—	25,868,073	—	—	25,868,073
Money Market Trusts	—	—	—	415,073	415,073
Total	\$ —	\$ 69,318,347	\$ —	\$ 415,073	\$ 69,733,420

*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.

(9) Subsequent Events

Management has evaluated subsequent events affecting the Fund through March 28, 2024, 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.