

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL	
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Flynn James E</u> <hr/> (Last) (First) (Middle) 780 THIRD AVENUE 37TH FLOOR <hr/> (Street) NEW YORK NY 10017 <hr/> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 09/24/2020	3. Issuer Name and Ticker or Trading Symbol <u>GRAYBUG VISION, INC.</u> [GRAY]	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) <input checked="" type="checkbox"/> Other (specify below) Possible Member of 10% Group	5. If Amendment, Date of Original Filed (Month/Day/Year)
		6. Individual or Joint/Group Filing (Check Applicable Line) Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person	

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
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Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Series B Preferred Stock	(1)	(1)	Common Stock	1,422,406 ⁽¹⁾	(1)	I	Through Deerfield Private Design Fund III, L.P. ⁽³⁾⁽⁴⁾
Series B Preferred Stock	(1)	(1)	Common Stock	1,422,406 ⁽¹⁾	(1)	I	Through Deerfield Healthcare Innovations Fund, L.P. ⁽³⁾⁽⁴⁾
Series C Preferred Stock	(2)	(2)	Common Stock	291,467 ⁽²⁾	(2)	I	Through Deerfield Private Design Fund III, L.P. ⁽³⁾⁽⁴⁾
Series C Preferred Stock	(2)	(2)	Common Stock	291,467 ⁽²⁾	(2)	I	Through Deerfield Healthcare Innovations Fund, L.P. ⁽³⁾⁽⁴⁾
Series C Preferred Stock	(2)	(2)	Common Stock	291,467 ⁽²⁾	(2)	I	Through Deerfield Partners, L.P. ⁽³⁾⁽⁴⁾

1. Name and Address of Reporting Person* <u>Flynn James E</u> <hr/>

(Last) (First) (Middle)

780 THIRD AVENUE
37TH FLOOR

(Street)

NEW YORK NY 10017

(City) (State) (Zip)

1. Name and Address of Reporting Person*

Deerfield Mgmt HIF, L.P.

(Last) (First) (Middle)

780 THIRD AVENUE
37TH FLOOR

(Street)

NEW YORK NY 10017

(City) (State) (Zip)

1. Name and Address of Reporting Person*

DEERFIELD MANAGEMENT
COMPANY, L.P. (SERIES C)

(Last) (First) (Middle)

780 THIRD AVENUE, 37TH FLOOR

(Street)

NEW YORK NY 10017

(City) (State) (Zip)

1. Name and Address of Reporting Person*

Deerfield Healthcare Innovations Fund,
L.P.

(Last) (First) (Middle)

780 THIRD AVENUE
37TH FLOOR

(Street)

NEW YORK NY 10017

(City) (State) (Zip)

1. Name and Address of Reporting Person*

DEERFIELD PARTNERS, L.P.

(Last) (First) (Middle)

780 THIRD AVENUE
37TH FLOOR

(Street)

NEW YORK NY 10017

(City) (State) (Zip)

1. Name and Address of Reporting Person*

Deerfield Mgmt III, L.P.

(Last) (First) (Middle)

780 THIRD AVENUE, 37TH FLOOR

(Street)

NEW YORK NY 10017

(City) (State) (Zip)

1. Name and Address of Reporting Person*

Deerfield Private Design Fund III, L.P.

(Last) (First) (Middle)

780 THIRD AVENUE, 37TH FLOOR

(Street)

NEW YORK NY 10017

(City) (State) (Zip)

1. Name and Address of Reporting Person*

Deerfield Mgmt L.P.

(Last) (First) (Middle)

780 THIRD AVENUE
37TH FLOOR

(Street)

NEW YORK NY 10017

(City) (State) (Zip)

Explanation of Responses:

1. Each share of Series B Preferred Stock is convertible into approximately 0.11103955 shares of the Issuer's common stock (on an adjusted basis after giving effect to the 1-for-9.0058 reverse split of the Issuer's common stock effected by the Issuer on September 18, 2020) and will automatically convert into shares of the Issuer's common stock upon the closing of the Issuer's initial public offering of common stock.
2. Each share of Series C Preferred Stock is convertible into approximately 0.11103955 shares of the Issuer's common stock (on an adjusted basis after giving effect to the 1-for-9.0058 reverse split of the Issuer's common stock effected by the Issuer on September 18, 2020) and will automatically convert into shares of the Issuer's common stock upon the closing of the Issuer's initial public offering of common stock.
3. This Form 3 is being filed by the undersigned as well as the entities listed on the Joint Filer Information Statement attached as an exhibit hereto (the "Reporting Persons"). Deerfield Mgmt III, L.P. is the general partner of Deerfield Private Design Fund III, L.P. ("Fund III"). Deerfield Mgmt HIF, L.P. is the general partner of Deerfield Healthcare Innovations Fund, L.P. ("Deerfield Innovations"). Deerfield Mgmt, L.P. is the general partner of Deerfield Partners, L.P. (collectively with Fund III and Deerfield Innovations, the "Funds"). Deerfield Management Company, L.P. is the investment manager of the Funds. James E. Flynn is the sole member of the general partner of each of Deerfield Mgmt III, L.P., Deerfield Mgmt HIF, L.P., Deerfield Mgmt, L.P. and Deerfield Management Company, L.P.
4. In accordance with Instruction 5 (b)(iv) to Form 3, the entire amount of the Issuer's securities held by the Funds is reported herein. For purposes of Section 16 of the Securities Exchange Act of 1934, as amended, each Reporting Person disclaims beneficial ownership of any such securities, except to the extent of his/its indirect pecuniary interest therein, if any, and this report shall not be deemed an admission that such Reporting Person is the beneficial owner of such securities for purposes of Section 16 or otherwise.

Remarks:

Please see Joint Filer Information Statement attached as Exhibit 99 hereto. Jonathan Isler, Attorney-in-Fact: Power of Attorney, which is hereby incorporated by reference to Exhibit 24 to a Form 3 with regard to Proteon Therapeutics, Inc. filed with the Securities and Exchange Commission on August 4, 2017 by Deerfield Special Situations Fund, L.P., Deerfield Partners, L.P., Deerfield International Master Fund, L.P., Deerfield Private Design Fund III, L.P., Deerfield Private Design Fund IV, L.P., Deerfield Mgmt, L.P., Deerfield Mgmt III, L.P., Deerfield Mgmt IV, L.P., Deerfield Management Company, L.P., and James E. Flynn.

/s/ Jonathan Isler,
Attorney-in-Fact

09/24/2020

** Signature of Reporting
Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

Joint Filer Information

Name: Deerfield Mgmt III, L.P., Deerfield Mgmt HIF, L.P., Deerfield Mgmt, L.P., Deerfield Management Company, L.P.,
Deerfield Private Design Fund III, L.P., Deerfield Healthcare Innovations Fund, L.P., Deerfield Partners, L.P.

Address: 780 Third Avenue, 37th Floor
New York, NY 10017

Designated Filer: James E. Flynn

Issuer and Ticker Symbol: Graybug Vision, Inc. [GRAY]

Date of Event Requiring Statement: September 24, 2020

The undersigned, Deerfield Mgmt III, L.P., Deerfield Mgmt HIF, L.P., Deerfield Mgmt, L.P., Deerfield Management Company, L.P., Deerfield Private Design Fund III, L.P., Deerfield Healthcare Innovations Fund, L.P. and Deerfield Partners, L.P. are jointly filing the attached Initial Statement of Beneficial Ownership on Form 3 with James E. Flynn with respect to the beneficial ownership of securities of Graybug Vision, Inc.

Signatures:

DEERFIELD MGMT HIF, L.P.
By: J.E. Flynn Capital HIF, LLC, General Partner

By: /s/ Jonathan Isler
Jonathan Isler, Attorney-In-Fact

DEERFIELD MANAGEMENT COMPANY, L.P.
By: Flynn Management LLC, General Partner

By: /s/ Jonathan Isler
Jonathan Isler, Attorney-In-Fact

DEERFIELD HEALTHCARE INNOVATIONS FUND, L.P.
By: Deerfield Mgmt HIF, L.P., General Partner
By: J.E. Flynn Capital HIF, LLC, General Partner

By: /s/ Jonathan Isler
Jonathan Isler, Attorney-In-Fact

DEERFIELD PARTNERS, L.P.
By: Deerfield Mgmt, L.P., General Partner
By: J.E. Flynn Capital, LLC, General Partner

By: /s/ Jonathan Isler
Jonathan Isler, Attorney-In-Fact

DEERFIELD MGMT III, L.P.
By: J.E. Flynn Capital III, LLC, General Partner

By: /s/ Jonathan Isler
Jonathan Isler, Attorney-In-Fact

DEERFIELD PRIVATE DESIGN FUND III, L.P.
By: Deerfield Mgmt III, L.P., General Partner
By: J.E. Flynn Capital III, LLC, General Partner

By: /s/ Jonathan Isler
Jonathan Isler, Attorney-In-Fact

DEERFIELD MGMT, L.P.
By: J.E. Flynn Capital, LLC, General Partner

By: /s/ Jonathan Isler
Jonathan Isler, Attorney-In-Fact