

| OMB APPROVAL                                 |           |
|--|-----------|
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

|  |   |  |
|--|---|--|
| 1. Name and Address of Reporting Person*<br><u>Flynn James E</u><br><br>(Last) (First) (Middle)<br>780 THIRD AVENUE<br>37TH FLOOR<br><br>(Street)<br>NEW YORK NY 10017<br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><u>GRAYBUG VISION, INC. [ GRAY ]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable)<br><br>Director <input checked="" type="checkbox"/> 10% Owner<br><br>Officer (give title below) <input checked="" type="checkbox"/> Other (specify below)<br><br>*Possible Member of 10% Group |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br>09/29/2020                      |  |
|  | 4. If Amendment, Date of Original Filed (Month/Day/Year)                            |  |

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |       | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4)      |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|------------|-------|---|--|--|
|                                 |                                      |  | Code                           | V | Amount  | (A) or (D) | Price |   |  |  |
| Common Stock                    | 09/29/2020                           |  | C                              |   | 1,422,406   | A          | (1)   | 1,422,406   | I  | Through Deerfield Healthcare Innovations Fund, L.P. (3)(4) |
| Common Stock                    | 09/29/2020                           |  | C                              |   | 1,422,406   | A          | (1)   | 1,422,406   | I  | Through Deerfield Private Design Fund III, L.P. (3)(4)     |
| Common Stock                    | 09/29/2020                           |  | C                              |   | 291,467   | A          | (2)   | 1,713,873   | I  | Through Deerfield Healthcare Innovations Fund, L.P. (3)(4) |
| Common Stock                    | 09/29/2020                           |  | C                              |   | 291,467   | A          | (2)   | 1,713,873   | I  | Through Deerfield Private Design Fund III, L.P. (3)(4)     |
| Common Stock                    | 09/29/2020                           |  | C                              |   | 291,467   | A          | (2)   | 291,467   | I  | Through Deerfield Partners, L.P. (3)(4)                    |
| Common Stock                    | 09/29/2020                           |  | P                              |   | 1,562,500   | A          | \$16  | 1,853,967   | I  | Through Deerfield Partners, L.P. (3)(4)                    |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |            | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) |                            | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4)     |
|--|--|--------------------------------------|--|--------------------------------|---|--|------------|--|-----------------|---|----------------------------|--|--|---|--|
|  |  |                                      |  | Code                           | V | (A)  | (D)        | Date Exercisable   | Expiration Date | Title   | Amount or Number of Shares |  |  |   |  |
| Series B Preferred Stock                   | (1)  | 09/29/2020                           |  | C                              |   |  | 12,809,912 | (1)  | (1)             | Common Stock  | 1,422,406                  | (1)  | 0  | I   | Through Deerfield Healthcare Innovations Fund, L.P. (3)(4) |

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)**

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |            | 6. Date Exercisable and Expiration Date (Month/Day/Year) |                 | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) |                            | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4)                |
|--|--|--------------------------------------|--|--------------------------------|---|--|------------|--|-----------------|---|----------------------------|--|--|---|---|
|  |  |                                      |  | Code                           | V | (A)  | (D)        | Date Exercisable   | Expiration Date | Title   | Amount or Number of Shares |  |  |   |   |
| Series B Preferred Stock                   | (1)  | 09/29/2020                           |  | C                              |   |  | 12,809,910 | (1)  | (1)             | Common Stock  | 1,422,406                  | (1)  | 0  | I   | Through Deerfield Private Design Fund III, L.P. <sup>(3)(4)</sup>     |
| Series C Preferred Stock                   | (2)  | 09/29/2020                           |  | C                              |   |  | 2,624,901  | (2)  | (2)             | Common Stock  | 291,467                    | (2)  | 0  | I   | Through Deerfield Healthcare Innovations Fund, L.P. <sup>(3)(4)</sup> |
| Series C Preferred Stock                   | (2)  | 09/29/2020                           |  | C                              |   |  | 2,624,901  | (2)  | (2)             | Common Stock  | 291,467                    | (2)  | 0  | I   | Through Deerfield Private Design Fund III, L.P. <sup>(3)(4)</sup>     |
| Series C Preferred Stock                   | (2)  | 09/29/2020                           |  | C                              |   |  | 2,624,901  | (2)  | (2)             | Common Stock  | 291,467                    | (2)  | 0  | I   | Through Deerfield Partners, L.P. <sup>(3)(4)</sup>                    |

1. Name and Address of Reporting Person\*

[Flynn James E](#)

(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 Mgmt 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 PARTNERS, 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 automatically converted into 0.11103955 shares of the Issuer's common stock upon the closing of the Issuer's initial public offering (on an adjusted basis, after giving effect to the 1-for-9.0058 reverse stock split effected by the Issuer on September 18, 2020).
2. Each share of Series C Preferred Stock automatically converted into 0.11103955 shares of the Issuer's common stock upon the closing of the Issuer's initial public offering (on an adjusted basis, after giving effect to the 1-for-9.0058 reverse stock split effected by the Issuer on September 18, 2020).
3. This Form 4 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, L.P. is the general partner of Deerfield Partners, L.P. ("Deerfield Partners"). Deerfield Mgmt HIF, L.P. is the general partner of Deerfield Healthcare Innovations Fund, L.P. (collectively with Fund III and Deerfield Partners, 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, L.P., Deerfield Mgmt III, L.P., Deerfield Mgmt HIF, L.P. and Deerfield Management Company, L.P.
4. In accordance with Instruction 4 (b)(iv) to Form 4, 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:**

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 10/01/2020

\*\* 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 4 (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 Management Company, L.P.,  
Deerfield Private Design Fund III, L.P., Deerfield Healthcare Innovations Fund, L.P., Deerfield Partners, L.P., Deerfield  
Mgmt, 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: October 1, 2020

The undersigned, Deerfield Mgmt III, L.P., Deerfield Mgmt HIF, L.P., Deerfield Management Company, L.P., Deerfield Private Design Fund III, L.P., Deerfield  
Healthcare Innovations Fund, L.P., Deerfield Mgmt, L.P. and Deerfield Partners, L.P. are jointly filing the attached Changes in Beneficial Ownership on Form 4 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 MGMT, L.P.  
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 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