

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF MAINE

MAINE PEOPLE’S ALLIANCE and )  
NATURAL RESOURCES DEFENSE )  
COUNCIL, INC., )

Plaintiffs, )

v. )

1:00-CV-00069-JAW

HOLTRACHEM MANUFACTURING )  
COMPANY, LLC and )  
MALLINCKRODT US LLC, )

Defendants. )

**QUARTERLY PROGRESS REPORT FOR THE THIRD QUARTER OF 2023  
GREENFIELD PENOBSCOT ESTUARY PROJECT TRUST LLC, TRUSTEE FOR  
PENOBSCOT ESTUARY BENEFICIAL ENVIRONMENTAL PROJECTS TRUST**

Greenfield Penobscot Estuary Project Trust LLC, not individually but solely in its representative capacity as Trustee for the Penobscot Estuary Beneficial Environmental Projects Trust, respectfully files this Quarterly Progress Report for the Third Quarter of 2023. This report is submitted in accordance with the Consent Decree in the above-captioned case (ECF 1187) and covers the period from July 1, 2023, through September 30, 2023.

Respectfully,

GREENFIELD PENOBSCOT ESTUARY  
PROJECT TRUST LLC, TRUSTEE

By: /s/ Anna Grace  
Senior Counsel

December 29, 2023

# QUARTERLY PROGRESS REPORT FOR THE THIRD QUARTER 2023

GREENFIELD PENOBSCOT ESTUARY PROJECT TRUST LLC, TRUSTEE  
for PENOBSCOT ESTUARY BENEFICIAL ENVIRONMENTAL PROJECTS TRUST



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GREENFIELD PENOBSCOT ESTUARY PROJECT TRUST LLC, TRUSTEE FOR  
PENOBSCOT ESTUARY BENEFICIAL ENVIRONMENTAL PROJECTS TRUST**

**I. Overview**

**A. Introduction**

Greenfield Penobscot Estuary Project Trust LLC (the Trustee), not individually but solely in its representative capacity as Trustee of the Penobscot Estuary Beneficial Environmental Projects Trust (the Project Trust), respectfully submits this Quarterly Progress Report for the Third Quarter of 2023 (the 3Q23 Progress Report). The Trustee prepared this 3Q23 Progress Report in accordance with the Consent Decree in the case *Me. People's All. and Nat. Res. Def. Council, Inc. v. HoltraChem Mfg. Co., LLC and Mallinckrodt US LLC*, Case No. 1:00-cv-0069-JAW (D. Me.) (the Consent Decree). The Consent Decree requires the Trustee to submit quarterly reports describing progress to date toward fulfilling the Trustee's and the Project Trust's obligations under the Consent Decree. This 3Q23 Progress Report is the fourth such report prepared and submitted by the Trustee.

**B. Report Contents and Structure**

The Consent Decree requires the Trustee to submit to the Beneficiaries and file with the U.S. District Court for the District of Maine (the Court) a written report describing the cumulative actions taken by the Project Trust or the Trustee in the performance of duties required under the Consent Decree.<sup>1</sup> The Statement of Work (Appendix A to the Consent Decree) refers to these reports as Quarterly Progress Reports, and requires the Trustee to submit and file the reports within ninety days after the end of each calendar quarter. Each report must also include financial statements and receipts and disbursements for the preceding quarter, and a description of plans for upcoming work.

Under Paragraph 25(c) of the Statement of Work, each Quarterly Progress Report "should be a standalone document that succinctly summarizes the current status of the Work without a need to refer to other documents or reports." Paragraph 25(b) of the Statement of Work sets out specific categories of information that must be included in each Quarterly Progress Report, as follows: (i) actions taken toward achieving compliance with the Consent Decree; (ii) a summary of key results of sampling, tests, and all other data generated by the Project Trust and its contractors; (iii) a list and brief description of submitted Deliverables; (iv) a description of activities relating to the Work scheduled for the next four months; (v) an updated Milestone Work Schedule; (vi)

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<sup>1</sup> Capitalized terms not defined herein have the meanings ascribed to them in the Consent Decree.

modifications to work plans or schedules; (vii) activities undertaken in support of the Community Involvement Plan; (viii) updates to the form, location, or management of the project database; and (ix) financial statements, and receipts and disbursements.

The 3Q23 Progress Report presents the information required by the Consent Decree in six Sections, as follows. Section II summarizes the Project Trust's Work progress during the Reporting Period (defined below) and Work planned during the following four months. Section III presents a Milestone Work Schedule, as required by Paragraphs 25(b)(v) and 32 of the Statement of Work. Section IV provides a summary of the status of activities undertaken in support of the Community Involvement Plan. Section V provides a summary of coordination with the Trustee for the Remediation Trust concerning the form, location, or management of the project database. Section VI describes activities that are administrative in nature and funded by the Administrative Account, including activities related to the financial affairs of the Project Trust, insurance, general contracting and procurement, and Beneficiary communications. Section VII presents the financial statements of the Project Trust and Trust Accounts through the end of the most recent calendar quarter, including receipts and disbursements of the Project Trust during the Reporting Period. Finally, Section VIII provides links to previous Quarterly Progress Reports.

### **C. Period Covered by the 3Q23 Progress Report**

This 3Q23 Progress Report summarizes the status of the Work for the period July 1, 2023, through the end of the most recent quarter, September 30, 2023 (the Reporting Period or 3Q23). This report also includes a description of activities planned for October 1, 2023, through January 31, 2024.<sup>2</sup>

## **II. Summary of Project Trust Work in Progress**

Section II of the 3Q23 Progress Report provides a summary of the Project Trust's and the Trustee's actions taken during the Reporting Period in performance of duties related to the Work required under the Consent Decree. Paragraphs 13, 23, 29, and 32 of the Consent Decree describe Work activities and other obligations related to the Beneficial Environmental Projects Work Category, including those activities and obligations to be performed by the Project Trust or the Trustee.

Consistent with Paragraph 25(b) of the Statement of Work, this Section II provides the following information concerning Work related to Beneficial Environmental Projects (BEPs): (i) a summary of actions taken toward achieving

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<sup>2</sup> For cumulative actions taken by the Project Trust and the Trustee during prior reporting periods, please see Section VIII for links to the previously filed Quarterly Progress Reports.

compliance with the Consent Decree; and (ii) a description of activities that are scheduled for the four months following the Reporting Period.

### **A. Actions Taken Toward Achieving Consent Decree Compliance**

The Project Trust is responsible for overseeing, funding, and implementing Beneficial Environmental Projects, which may also be Restoration Projects. The Consent Decree sets out general decision-making procedures for selecting Beneficial Environmental Projects. Under Paragraph 32 of the Consent Decree, the Trustee is responsible for recommending Beneficial Environmental Projects for funding and implementation to the Beneficiaries for comment or objection. Additionally, each of the Beneficiaries may propose Beneficial Environmental Projects to the Trustee.

The Consent Decree describes several factors that the Trustee must consider when determining what projects to recommend for funding as Beneficial Environmental Projects, including: (i) whether the project was recommended by a Beneficiary; (ii) the requirements of Paragraph 13 of the Consent Decree; and (iii) the funding schedule set forth in Paragraph 32(b) of the Consent Decree. The Trustee also may consider other factors. To efficiently administer Project Trust funds and to assist the Trustee in recommending projects with the most tangible environmental or public benefits to affected communities and the environment, the Trustee developed a process and protocols for soliciting, evaluating, and recommending BEPs.

#### **1. Final BEP Framework**

In connection with its efforts to develop a BEP solicitation, evaluation, and recommendation process and protocols, on July 28, 2023, the Trustee submitted to the Beneficiaries the final Framework for Funding Beneficial Environmental Projects (the BEP Framework). The BEP Framework incorporated comments received from the Beneficiaries on April 6, 2023, and May 17, 2023, and was informed by discussions between the Trustee and the Beneficiaries held on March 22, 2023, and June 21, 2023. The BEP Framework established the Trustee's process for soliciting BEP proposals, identified the objective criteria for the Trustee's use in evaluating proposed BEPs, and set forth various parameters and protocols for recommending proposed BEPs to the Beneficiaries for comment or objection.

#### **2. Third-Party Consultant**

The Trustee also considered the retention of a third-party consultant to assist the Trustee in evaluating proposed BEPs and otherwise implementing the BEP Framework. On July 6, 2023, in accordance with Paragraphs 31 and 39 of the Consent Decree, Paragraphs 37 and 38 of the Statement of Work, and Section 4.1.2 of the Project Trust

Agreement, the Trustee notified the Beneficiaries of its intent to retain a third-party consultant and provided the Beneficiaries an opportunity to comment on or object to the retention. The Beneficiaries provided comments on the proposed retention on July 20, 2023. In response to Beneficiary comments and preferences, on July 22, 2023, the Trustee notified the Beneficiaries that it had decided to implement the BEP Framework without engaging the proposed third-party consultant.

### 3. Proposal Requirements and Call for BEP Proposals

The Trustee further developed the process for soliciting, evaluating, and recommending BEPs by establishing proposal submittal requirements, including minimum requirements that each proposal must meet to be considered for funding. The Trustee subsequently incorporated these requirements into a guidance document titled Guidelines and Application Requirements for Beneficial Environmental Project Proposals (Proposal Guidelines) to assist applicants in preparing BEP proposals. The Proposal Guidelines clarify aspects of the BEP solicitation, evaluation, and recommendation process, including the Consent Decree provision that requires the Trustee to recommend for funding any BEP that qualifies as a Restoration Project, as that term is defined in the Consent Decree. To provide the Beneficiaries an opportunity to participate in the preparation of materials for public dissemination, as required by Paragraph 23 of the Statement of Work, the Trustee submitted a draft of the Proposal Guidelines to the Beneficiaries on August 24, 2023.

The Trustee also prepared a fact sheet notifying stakeholders that the Trustee would begin to accept BEP proposals and alerting stakeholders to the Proposal Guidelines, which would be made available on the Project Trust webpage. On August 30, 2023, the Trustee submitted a draft fact sheet to the Beneficiaries to provide an opportunity to participate in its preparation, as required by Paragraph 23 of the Statement of Work.

The Beneficiaries provided comments on the Proposal Guidelines and fact sheet on September 7, 2023, and the Trustee incorporated Beneficiary comments into a final version of each document. On September 19, 2023, the Trustee issued to stakeholders (i.e., municipal officials of affected communities, and select non-profits and academic institutions) the final Proposal Guidelines and fact sheet via email and posted both documents to the Project Trust webpage. During the Reporting Period, the Trustee also responded to stakeholder questions regarding the BEP proposal process and attended local community events, as further described in Part IV (Community Involvement Activities).



## **B. Work Planned for October 1, 2023, through January 31, 2024**

During the months from October 1, 2023, through January 31, 2024, the Trustee expects to continue to provide stakeholders with information regarding the BEP solicitation, evaluation, and recommendation process, including by holding informational sessions by videoconference, drafting responses to frequently asked questions, and answering specific stakeholder questions via email, teleconference, and videoconference, as requested. Pursuant to the Consent Decree, the Trustee will provide the Beneficiaries the opportunity to comment on all materials proposed for dissemination to the public. After the BEP proposal submittal deadline of December 31, 2023, the Trustee will begin to evaluate BEP proposals.<sup>3</sup> The Trustee's evaluation of proposed BEPs is expected to continue through the end of March 2024, when it expects to submit to the Beneficiaries its recommendations concerning funding of BEPs. The Beneficiaries will have a minimum of thirty (30) days to review, comment, or object to the Trustee's recommendations.

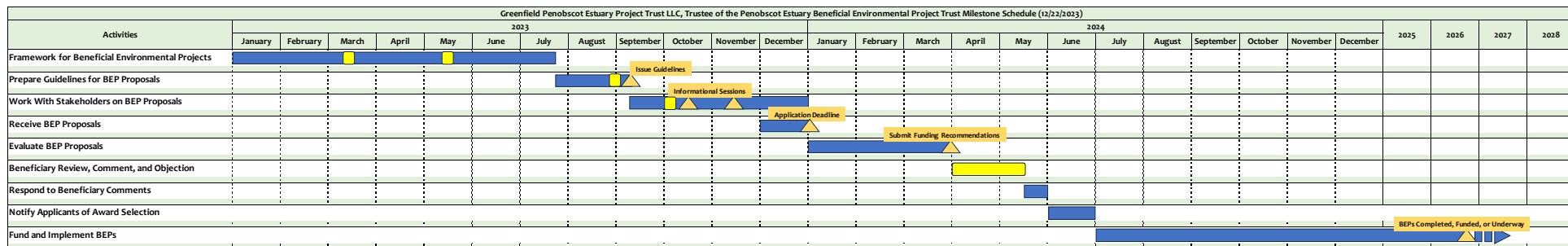
## **III. Milestone Work Schedule**

Section III presents the current Milestone Work Schedule, as required by Paragraph 25(b)(v) and Paragraph 32 of the Statement of Work. The Milestone Work Schedule presents the estimated timeframes and sequence for major Work activities to be performed during the five-year period starting with the last quarter of 2023. The schedule is based on the information available to the Trustee when the 3Q23 Progress Report was prepared and will be updated in future Quarterly Progress Reports to add new information, as available.

*[Remainder of page intentionally left blank.]*

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<sup>3</sup> As of the date of filing of this Quarterly Filing Report, the submittal deadline was extended to January 5, 2024, due to power outages in the region.



#### **IV. Community Involvement Activities**

##### **A. Activities in Support of Community Involvement During the Reporting Period**

Consistent with Paragraph 22(a) of the Statement of Work, the Trustee prepared a fact sheet about the BEP proposal process, and created a Project Trust webpage where the public can access the fact sheet, the Proposal Guidelines, and other resources. The Trustee provided the Beneficiaries with prior notice of, and an opportunity to participate in preparing, the information and materials, including the BEP proposal process fact sheet, proposed for public dissemination as required by Paragraph 23 of the Statement of Work. Finally, in accordance with Paragraph 21 of the Statement of Work the Trustee supported community involvement by attending the Orland River Day celebration on September 9, 2023.

##### **B. Activities in Support of Community Involvement During the Period from October 1, 2023, through January 31, 2024**

During the coming four months, consistent with Paragraph 21 of the Statement of Work, the Trustee expects to support community involvement by engaging with stakeholders, answering questions, hosting two virtual informational sessions concerning the BEP proposal process, periodically updating the Project Trust webpage, renting office space near the Penobscot River Estuary, and, if requested by applicants for BEP funding, potentially touring sites for proposed BEPs.

#### **V. Updates to Project Database**

Paragraph 26 of the Statement of Work requires the Project Trust to “maintain a project database containing all data generated by the Trustee and its contractors necessary to complete the required Work....” The database must include all Site data provided by the Beneficiaries, and the Trustee must provide the Beneficiaries with access to the project database. Paragraph 25(b)(viii) of the Statement of Work requires the Quarterly Progress Report to include a summary of updates to the form, location, or management of the project database. During the Reporting Period, all actions to achieve compliance with the Consent Decree requirements related to the project database have been undertaken by the Trustee for the Remediation Trustee. These activities are described in the Quarterly Progress Report for the Third Quarter of 2023 prepared and filed by the Trustee for the Remediation Trust.

## VI. Administrative Activities

Section VI of the 3Q23 Progress Report describes activities undertaken by the Project Trust associated with administration or management of the Project Trust, including taxes, investment and safekeeping of assets, insurance, and financial affairs. Section VI also covers administrative activities the Project Trust expects to undertake during the period from October 1, 2023, through January 1, 2024. All costs related to the administrative activities described in this Section are paid from the Administrative Account for the Project Trust.

### A. Actions taken to Achieve Compliance with Consent Decree and Fulfill Administrative Duties

#### 1. Communications with Beneficiaries

Paragraph 27 of the Statement of Work requires the Trustee to submit draft and final copies of Deliverables to the Beneficiaries. The Consent Decree and the Statement of Work include additional specific requirements concerning the submission of various required notices and other documents to the Beneficiaries. This includes submissions to provide opportunity for Beneficiary comment or objection within prescribed timeframes set forth in the Consent Decree, the Project Trust Agreement, and the Statement of Work. A list of all such notifications and submittals to the Beneficiaries during the Reporting Period is included in Table 6.

<b>Table 6</b>	
<b>Beneficiary Notification, Consultation, or Submittal During Reporting Period</b>	
<b>Date</b>	<b>Brief Description and Reference to Consent Decree</b>
July 6, 2023	Notice and Opportunity to Comment or Object to Recommendation to Retain Third-Party Consultant (CD, ¶¶ 31, 39; SOW ¶¶ 37, 38; TA, § 4.1.2)
July 28, 2023	Final Framework for BEPs
August 23, 2023	Invoice for Trustee Fees and Expenses for May 2023, for Beneficiary Comment or Objection (TA § 3.2.4)
August 24, 2023	Draft Guidelines and Application Requirements for BEPs (SOW ¶ 23)
August 25, 2023	Notice and Opportunity to Comment or Object to Retention of Web Designer (CD ¶ 39; TA § 4.1.2)
August 30, 2023	Draft Fact Sheet (SOW ¶ 23)

September 5, 2023	Invoice for Trustee Fees and Expenses for June 2023, for Beneficiary Comment or Objection (TA § 3.2.4)
September 19, 2023	Final Guidelines and Application Requirements for BEPs (SOW ¶ 23)
September 19, 2023	Final Fact Sheet (SOW ¶ 23)
September 26, 2023	2022 IRS Fiduciary Form 1041 Grantor Letter to United States Surgical Corporation (Mallinckrodt US LLC) (TA § 6.3)
September 29, 2023	Quarterly Progress Report for Second Quarter 2023 (CD ¶ 38; SOW ¶ 25; TA § 6.1)

## 2. Financial Affairs

The Trustee took the following actions related to management of the Trust's financial affairs to achieve compliance with the Consent Decree during the Reporting Period.

### a) Investments

Project Trust funds remain invested in accordance with the investment parameters set forth in Section 2.5.1 of the Project Trust Agreement.

### b) Banking

In accordance with Section 3.4 of the Project Trust Agreement, the Project Trust continued to retain a local bank in Maine to provide checking (i.e., working) account services to support disbursement of operational expenses.

### c) Tax Reporting

Consistent with Section 6.3 of the Project Trust Agreement, the Trustee has taken all reasonable actions necessary to ensure the Project Trust qualifies as an environmental remediation trust as described in Treasury Regulation Section 301.7701 - 4(e) and a "grantor trust" within the meaning of Section 671 through 679 of the Internal Revenue Code of 1986, as amended, for federal income tax purposes, with Mallinckrodt treated as the owner of the Project Trust and Trust assets for federal tax purposes, including by filing required documents with the Internal Revenue Service.

d) Trustee Invoices

In accordance with Section 3.2.4 of the Project Trust Agreement, on August 23, 2023, and September 5, 2023, the Trustee submitted to the Beneficiaries for comment or objection invoices detailing its fees and expenses for May 2023 and June 2023, respectively.

e) Recordkeeping and Financial Controls

In accordance with Paragraph 36 of the Consent Decree, the Trustee maintains proper books, records, and accounts relating to the Project Trust. In addition, consistent with its fiduciary duties, the Trustee established a comprehensive, fully integrated financial and project controls system designed to safeguard funds dedicated to the protection of human health and the environment, ensure compliance with the requirements of the Consent Decree, and provide timely, meaningful financial information to the Beneficiaries. By employing a broad range of internal and third-party controls, the Trustee has established efficient, cost-effective, consistent protocols that, among other things: (i) clearly define roles, responsibilities, and authorities; (ii) ensure accuracy of financial, technical, and legal information; and (iii) provide multiple points of independent verification and validation of financial matters, as further described in the Quarterly Progress Report for the Fourth Quarter of 2022 prepared and submitted by the Remediation Trust.

f) Tax Return

The Trustee prepared and filed IRS Form 1041, U.S. Income Tax Return for Trusts and Estates for the 2022 tax year on September 26, 2023.

g) Financial Assurance

Paragraph 20 of the Consent Decree requires Mallinckrodt to secure a surety bond in the amount of \$65 million for the benefit of the Remediation Trust and the Project Trust that substantially conforms to the form of surety bond set out in Appendix D to the Consent Decree. During 3Q23, the Trustee continued to diligently monitor the adequacy of the financial assurance (including the surety bond and the surety company that issued the bond), as required by Paragraph 20(d) of the Consent Decree.

3. Records and Data Management

The Trustee continued to maintain records management protocols and repositories (for working and permanent files) during the Reporting Period.

**B. Administrative Activities Planned for October 1, 2023, through January 31, 2024**

1. Communications with Beneficiaries

The Trustee will submit to the Beneficiaries for review and comment the draft answers to frequently asked questions concerning the BEP proposal submittal, evaluation, and recommendation process. The Trustee anticipates the possibility of needing to submit to the Beneficiaries a revised 2023 Annual Budget for the Administrative Account, to enable the Trustee's performance of duties related to launching the BEP Framework. The Trustee also plans to continue to participate in meetings with the Beneficiaries, provide written notices and submissions to the Beneficiaries as required, and consult with the Beneficiaries as needed to carry out its responsibilities.

2. Financial Affairs

a) Investments

During the period from October 1, 2023, through January 31, 2024, the Trustee expects to finalize an investment policy statement for the Project Trust and to prepare a notice to the Beneficiaries concerning updates to the investment allocation.

b) Banking

During the period from October 1, 2023, through January 31, 2024, the Trustee plans to continue its banking relationship with the local bank in Maine.

c) Budgets

During the period from October 1, 2023, through January 31, 2024, the Trustee will submit to the Beneficiaries the draft 2024 Annual Budgets, Work, Plans and Cash Flow Forecasts (Annual Budgets), and proposed final and final 2024 Annual Budgets. The Trustee will also submit the Five-Year Forecast required under Paragraph 34 of the Consent Decree. As noted above, the Trustee also anticipates the possibility of needing to submit a revised 2023 Annual Budget for the Administrative Account.

d) Financial and Project Controls

The Trustee will maintain comprehensive financial and project controls to fulfill its fiduciary duties to the Beneficiaries.

e) Funding of Project Trust

The Trustee will submit to Mallinckrodt a request for payment of \$25 million to the Project Trust pursuant to Paragraph 19(d) of the Consent Decree.

f) Third Party Auditor

The Trustee will communicate with the Beneficiaries and the Court-approved public accounting firm regarding planning for the 2022/2023 audit that will be performed in the first or second quarter of 2024.

3. Records and Data Management

The Trustee will maintain the comprehensive online storage and records management systems for permanent and working files.

VII. Financial Statements

As required under Paragraph 25(b)(ix) of the Statement of Work, financial statements of the Trust and Trust Accounts for the Reporting Period are set forth on the following pages.

*[Remainder of page intentionally left blank.]*





1 Market Square  
Augusta, ME 04330

207-622-4766  
wipfli.com

## Accountant's Compilation Report

To the Trustees and Beneficiaries  
Greenfield Penobscot Estuary Project Trust LLC  
Trustee of the Penobscot Estuary Beneficial Environmental Projects Trust

The Trustees are responsible for the accompanying special purpose financial statements of the Penobscot Estuary Beneficial Environmental Projects Trust, which comprise the statements of net trust assets as of June 30, 2023 and December 31, 2022, and the related statements of changes in net trust assets for the six months ended June 30, 2023 and the year ended December 31, 2022 and for determining that the special purpose basis of accounting is an acceptable financial reporting framework. We have performed a compilation engagement in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by the trustees. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

The financial statements are prepared in accordance with the special purpose basis of accounting in accordance with the requirements of the Trust's obligations under ¶ 38 of the Consent Decree approved and entered by the U.S. District Court for the District of Maine (*Maine Peoples Alliance and NRDC v. Holtrachem Manufacturing Company, LLC*, et al., No. 1:00-cv-00069-JAW (D. Maine)), which is a basis of accounting other than accounting principles generally accepted in the United States.

Management has elected to omit substantially all the disclosures ordinarily included in special purpose financial statements prepared in accordance with the prescribed format basis of accounting. If the omitted disclosures were included in the special purpose financial statements, they might influence the user's conclusions about the Trust's assets, liabilities, net assets, additions, and deductions. Accordingly, the special purpose financial statements are not designed for those who are not informed about such matters.

### Supplementary Information

The Trust Administrative Account, the Trust Remediation Account (General), and the Trust Remediation Account for Beneficial Environmental Projects Supplemental Statements of Net Trust Assets, Supplemental Statements of Changes in Net Trust Assets, Supplemental Schedule of Detail Changes in Net Trust Asset and Budget to Actual information are presented for purposes of additional analysis and are not a required part of the special purpose financial statements. This information is the representation of the trustees. The information was subject to our compilation engagements; however, we have not audited or reviewed the supplementary information and, accordingly, do not express an opinion, a conclusion, nor provide any form of assurance on such supplementary information.

We are not independent with respect to Greenfield Penobscot Estuary Project Trust LLC.

*Wipfli LLP*

Wipfli LLP  
September 5, 2023

**Penobscot Estuary Beneficial Environmental Projects Trust (Project Trust)**  
**Statement of Net Trust Assets**  
**As of June 30, 2023**

	Project Trust Total	Trust Administrative Account	Trust Remediation Account		
			Total Trust Remediation Account	Trust Remediation Account (General)	Trust Remediation Account for Beneficial Environmental Projects
<b>Assets</b>					
Cash	\$ 39,069.32	\$ 34,684.32	\$ 4,385.00	\$ -	\$ 4,385.00
Investments, money market funds	5,169,948.52	250,393.64	4,919,554.88	-	4,919,554.88
<b>Total Assets</b>	<b>\$ 5,209,017.84</b>	<b>\$ 285,077.96</b>	<b>\$ 4,923,939.88</b>	<b>\$ -</b>	<b>\$ 4,923,939.88</b>
<b>Liabilities</b>					
Accounts Payable	\$ 57,633.74	\$ 57,633.74	\$ -	\$ -	\$ -
Due to Remediation Trust	373.85	373.85	-	-	-
<b>Total Liabilities</b>	<b>58,007.59</b>	<b>58,007.59</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Trust Assets</b>	<b>5,151,010.25</b>	<b>227,070.37</b>	<b>4,923,939.88</b>	<b>-</b>	<b>4,923,939.88</b>
<b>Total Liabilities &amp; Net Trust Assets</b>	<b>\$ 5,209,017.84</b>	<b>\$ 285,077.96</b>	<b>\$ 4,923,939.88</b>	<b>\$ -</b>	<b>\$ 4,923,939.88</b>

**Statement of Changes in Net Trust Assets**  
**For the Six Months Ended June 30, 2023**

	Project Trust Total	Trust Administrative Account	Trust Remediation Account		
			Total Trust Remediation Account	Trust Remediation Account (General)	Trust Remediation Account for Beneficial Environmental Projects
Total Deductions from Net Trust Assets	\$ (110,269.49)	\$ (110,269.49)	\$ -	\$ -	\$ -
Total Additions to Net Trust Assets	117,178.79	4,846.32	112,332.47	-	112,332.47
<b>Change in Net Trust Assets</b>	<b>6,909.30</b>	<b>(105,423.17)</b>	<b>112,332.47</b>	<b>-</b>	<b>112,332.47</b>
<b>Net Trust Assets, Beginning</b>	<b>5,144,100.95</b>	<b>332,493.54</b>	<b>4,811,607.41</b>	<b>-</b>	<b>4,811,607.41</b>
Funding	-	-	-	-	-
<b>Net Trust Assets, Ending</b>	<b>\$ 5,151,010.25</b>	<b>\$ 227,070.37</b>	<b>\$ 4,923,939.88</b>	<b>\$ -</b>	<b>\$ 4,923,939.88</b>

**Penobscot Estuary Beneficial Environmental Projects Trust (Project Trust)**  
**Statement of Net Trust Assets**  
**As of December 31, 2022**

	Project Trust Total	Trust Administrative Account	Trust Remediation Account		
			Total Trust Remediation Account	Trust Remediation Account (General)	Trust Remediation Account for Beneficial Environmental Projects
<b>Assets</b>					
Cash	\$ 24,201.94	\$ 19,816.94	\$ 4,385.00	\$ -	\$ 4,385.00
Investments, money market funds	5,132,754.73	25,532.32	5,107,222.41	4,650,000.00	457,222.41
<b>Total Assets</b>	<b>\$ 5,156,956.67</b>	<b>\$ 45,349.26</b>	<b>\$ 5,111,607.41</b>	<b>\$ 4,650,000.00</b>	<b>\$ 461,607.41</b>
<b>Liabilities</b>					
Accounts Payable	\$ 10,804.62	\$ 10,804.62	\$ -	\$ -	\$ -
Due to Remediation Trust	2,051.10	2,051.10	-	-	-
Due to (from) Inter-Trust Accounts <sup>1</sup>	-	(300,000.00)	300,000.00	4,650,000.00	(4,350,000.00)
<b>Total Liabilities</b>	<b>12,855.72</b>	<b>(287,144.28)</b>	<b>300,000.00</b>	<b>4,650,000.00</b>	<b>(4,350,000.00)</b>
<b>Net Trust Assets</b>	<b>5,144,100.95</b>	<b>332,493.54</b>	<b>4,811,607.41</b>	<b>-</b>	<b>4,811,607.41</b>
<b>Total Liabilities &amp; Net Trust Assets</b>	<b>\$ 5,156,956.67</b>	<b>\$ 45,349.26</b>	<b>\$ 5,111,607.41</b>	<b>\$ 4,650,000.00</b>	<b>\$ 461,607.41</b>

**Statement of Changes in Net Trust Assets**  
**For the Year Ended December 31, 2022**

	Project Trust Total	Trust Administrative Account	Trust Remediation Account		
			Total Trust Remediation Account	Trust Remediation Account (General)	Trust Remediation Account for Beneficial Environmental Projects
Total Deductions from Net Trust Assets	\$ (14,161.62)	\$ (14,161.62)	\$ -	\$ -	\$ -
Total Additions to Net Trust Assets	12,043.50	514.22	11,529.28	-	11,529.28
Change in Net Trust Assets	(2,118.12)	(13,647.40)	11,529.28	-	11,529.28
Net Trust Assets, Beginning	496,219.07	46,140.94	450,078.13	-	450,078.13
Funding	4,650,000.00	300,000.00	4,350,000.00	-	4,350,000.00
<b>Net Trust Assets, Ending</b>	<b>\$ 5,144,100.95</b>	<b>\$ 332,493.54</b>	<b>\$ 4,811,607.41</b>	<b>\$ -</b>	<b>\$ 4,811,607.41</b>

<sup>1</sup>Pursuant to ¶ 19(c) of the Consent Decree, required 2022 funding in the amount of \$15,000,000 was received from Mallinckrodt in December 2022. Of the total \$15,000,000 received, the portion allocated to the Project Trust in the amount of \$4,650,000 was deposited into the Trust Remediation Account (General). Funds were distributed to the Administrative Account and the Trust Remediation Account for Beneficial Environmental Projects after 2023 final budgets were issued. The remaining \$10,350,000 was allocated to the Penobscot Estuary Mercury Remediation Trust.

**Penobscot Estuary Beneficial Environmental Projects Trust (Project Trust)**  
**Trust Administrative Account**  
**Supplemental Statements of Net Trust Assets**  
**As of June 30, 2023 and December 31, 2022**

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<b>Assets</b>		
Cash	\$ 34,684.32	\$ 19,816.94
Due from Trust Remediation Account (General) <sup>1</sup>	-	300,000.00
Investments, money market funds	250,393.64	25,532.32
<b>Total Assets</b>	<u>\$ 285,077.96</u>	<u>\$ 345,349.26</u>
<b>Liabilities</b>		
Accounts Payable	\$ 57,633.74	\$ 10,804.62
Due to Remediation Trust	373.85	2,051.10
<b>Total Liabilities</b>	<u>58,007.59</u>	<u>12,855.72</u>
<b>Net Trust Assets, Administrative</b>	<u>227,070.37</u>	<u>332,493.54</u>
<b>Total Liabilities &amp; Net Trust Assets</b>	<u>\$ 285,077.96</u>	<u>\$ 345,349.26</u>

**Supplemental Statements of Changes in Net Trust Assets**  
**For the Six Months Ended June 30, 2023 and the Year Ended December 31, 2022**

	<u>Six Months Ended June 30, 2023</u>	<u>Year Ended December 31, 2022</u>
Total Deductions from Net Trust Assets	\$ (110,269.49)	\$ (14,161.62)
Total Additions to Net Trust Assets	4,846.32	514.22
<b>Change in Net Trust Assets</b>	<u>(105,423.17)</u>	<u>(13,647.40)</u>
<b>Net Trust Assets, Administrative Beginning</b>	332,493.54	46,140.94
Funding	-	300,000.00
<b>Net Trust Assets, Administrative Ending</b>	<u>\$ 227,070.37</u>	<u>\$ 332,493.54</u>

<sup>1</sup>Pursuant to ¶ 19(c) of the Consent Decree, 2022 funding was received from Mallinckrodt in December 2022. The required 2022 funding for the Trust Administrative Account, in the amount of \$300,000, was deposited into the Trust Remediation Account (General) and transferred into the Administrative Account after 2023 final budgets were issued.

**Penobscot Estuary Beneficial Environmental Projects Trust (Project Trust)**  
**Trust Administrative Account**  
**Supplemental Schedule of Detail Changes in Net Trust Assets and Budget to Actual**  
**For the Six Months Ended June 30, 2023**

	Second Quarter Ended June 30, 2023	Six Months Ended June 30, 2023	Annual Budget	Variance	% of Budget
<b>Deductions from Net Trust Assets:</b>					
1.A · Trust Management and Beneficiary Communications	\$ 50,860.25	\$ 90,826.97	\$ 173,000.00	\$ (82,173.03)	52.5%
1.B · Financial Affairs	7,448.47	19,068.67	61,000.00	(41,931.33)	31.3%
1.C · General Contracting and Procurement	-	-	-	-	0.0%
1.D · Insurance	-	-	2,000.00	(2,000.00)	0.0%
1.E · Records and Data Management	258.58	373.85	5,000.00	(4,626.15)	7.5%
Total Deductions from Net Trust Assets	<u>58,567.30</u>	<u>110,269.49</u>	<u>241,000.00</u>	<u>(130,730.51)</u>	<u>45.8%</u>
<b>Additions to Net Trust Assets:</b>					
Investment Income, net of expenses	3,758.11	4,846.32	-	4,846.32	
Total Additions to Net Trust Assets	<u>3,758.11</u>	<u>4,846.32</u>	<u>-</u>	<u>4,846.32</u>	
Change in Net Trust Assets	<u>\$ (54,809.19)</u>	<u>\$ (105,423.17)</u>	<u>\$ (241,000.00)</u>	<u>\$ 135,576.83</u>	
Net Trust Assets, Administrative Beginning Funding		332,493.54			
Net Trust Assets, Administrative Ending		<u>\$ 227,070.37</u>			

**Supplemental Schedule of Detail Changes in Net Trust Assets and Budget to Actual**  
**For the Year Ended December 31, 2022**

	Year Ended December 31, 2022	Revised Annual Budget	Variance	% of Budget
<b>Deductions from Net Trust Assets:</b>				
1.A · Trust Management and Beneficiary Communications	\$ 1,492.40	\$ 8,100.00	\$ (6,607.60)	18.4%
1.B · Financial Affairs	9,419.12	12,400.00	(2,980.88)	76.0%
1.C · General Contracting and Procurement	-	-	-	0.0%
1.D · Insurance	2,166.10	3,100.00	(933.90)	69.9%
1.E · Records and Data Management	-	-	-	0.0%
1.F · Pre-Effective Date Setup Activities	1,084.00	1,200.00	(116.00)	90.3%
Total Deductions from Net Trust Assets	<u>14,161.62</u>	<u>24,800.00</u>	<u>(10,638.38)</u>	<u>57.1%</u>
<b>Additions to Net Trust Assets:</b>				
Investment Income, net of expenses	514.22	-	514.22	
Total Additions to Net Trust Assets	<u>514.22</u>	<u>-</u>	<u>514.22</u>	
Change in Net Trust Assets	<u>\$ (13,647.40)</u>	<u>\$ (24,800.00)</u>	<u>\$ 11,152.60</u>	
Net Trust Assets, Administrative Beginning Funding		46,140.94		
Net Trust Assets, Administrative Ending		<u>\$ 332,493.54</u>		

**Penobscot Estuary Beneficial Environmental Projects Trust (Project Trust)**  
**Trust Remediation Account (General)**  
**Supplemental Statements of Net Trust Assets**  
**As of June 30, 2023 and December 31, 2022**

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<b>Assets</b>		
Cash	\$ -	\$ -
Investments, money market funds	-	4,650,000.00
Total Assets	<u>\$ -</u>	<u>\$ 4,650,000.00</u>
<b>Liabilities</b>		
Accounts Payable	\$ -	\$ -
Due to (from) Inter-Trust Accounts <sup>1</sup>	-	4,650,000.00
Total Liabilities	-	4,650,000.00
Net Trust Assets, Remediation (General)	-	-
Total Liabilities & Net Trust Assets	<u>\$ -</u>	<u>\$ 4,650,000.00</u>

**Supplemental Statements of Changes in Net Trust Assets**  
**For the Six Months Ended June 30, 2023 and the Year Ended December 31, 2022**

	<u>Six Months Ended June 30, 2023</u>	<u>Year Ended December 31, 2022</u>
Total Deductions from Net Trust Assets	\$ -	\$ -
Total Additions to Net Trust Assets	-	-
Change in Net Trust Assets	-	-
Net Trust Assets, Remediation (General) Beginning	-	-
Funding	-	-
Net Trust Assets, Remediation (General) Ending	<u>\$ -</u>	<u>\$ -</u>

<sup>1</sup>Pursuant to ¶ 19(c) of the Consent Decree, required 2022 funding in the amount of \$15,000,000 was received from Mallinckrodt in December 2022. Of the total \$15,000,000 received, the portion allocated to the Project Trust in the amount of \$4,650,000 was deposited into the Trust Remediation Account (General). Funds were distributed to the Administrative Account and the Trust Remediation Account for Beneficial Environmental Projects after the 2023 final budgets were issued. The remaining \$10,350,000 was allocated to the Penobscot Estuary Mercury Remediation Trust.

**Penobscot Estuary Beneficial Environmental Projects Trust (Project Trust)**  
**Trust Remediation Account (General)**  
**Supplemental Schedule of Detail Changes in Net Trust Assets and Budget to Actual**  
**For the Six Months Ended June 30, 2023**

	Second Quarter Ended June 30, 2023	Six Months Ended June 30, 2023	Annual Budget	Variance	% of Budget
<b>Deductions from Net Trust Assets:</b>					
A - Planning, Investigation, and Studies	\$ -	\$ -	\$ -	\$ -	0.0%
B - Design, Construction, and Implementation	-	-	-	-	0.0%
C - Community Involvement	-	-	-	-	0.0%
D - Database and Records Management	-	-	-	-	0.0%
E - Permitting and Regulatory Coordination	-	-	-	-	0.0%
F - Trustee Technical, Contract, and Project Management	-	-	-	-	0.0%
H - Access and Property Management	-	-	-	-	0.0%
Total Deductions from Net Trust Assets	-	-	-	-	0.0%
<b>Additions to Net Trust Assets:</b>					
Investment Income, net of expenses	-	-	-	-	
Total Additions to Net Trust Assets	-	-	-	-	
Change in Net Trust Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Net Trust Assets, Remediation (General) Beginning		-			
Funding		-			
Net Trust Assets, Remediation (General) Ending		<u>\$ -</u>			

**Supplemental Schedule of Detail Changes in Net Trust Assets and Budget to Actual**  
**For the Year Ended December 31, 2022**

	Year Ended December 31, 2022	Annual Budget	Variance	% of Budget
<b>Deductions from Net Trust Assets:</b>				
A - Planning, Investigation, and Studies	\$ -	\$ -	\$ -	0.0%
B - Design, Construction, and Implementation	-	-	-	0.0%
C - Community Involvement	-	-	-	0.0%
D - Database and Records Management	-	-	-	0.0%
E - Permitting and Regulatory Coordination	-	-	-	0.0%
F - Trustee Technical, Contract, and Project Management	-	-	-	0.0%
H - Access and Property Management	-	-	-	0.0%
Total Deductions from Net Trust Assets	-	-	-	0.0%
<b>Additions to Net Trust Assets:</b>				
Investment Income, net of expenses	-	-	-	
Total Additions to Net Trust Assets	-	-	-	
Change in Net Trust Assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Net Trust Assets, Remediation (General) Beginning		-		
Funding		-		
Net Trust Assets, Remediation (General) Ending		<u>\$ -</u>		

**Penobscot Estuary Beneficial Environmental Projects Trust (Project Trust)**  
**Trust Remediation Account for Beneficial Environmental Projects**  
**Supplemental Statements of Net Trust Assets**  
**As of June 30, 2023 and December 31, 2022**

	<u>June 30, 2023</u>	<u>December 31, 2022</u>
<b>Assets</b>		
Cash	\$ 4,385.00	\$ 4,385.00
Due from Trust Remediation Account (General) <sup>1</sup>	-	4,350,000.00
Investments, money market funds	4,919,554.88	457,222.41
<b>Total Assets</b>	<u>\$ 4,923,939.88</u>	<u>\$ 4,811,607.41</u>
<b>Liabilities</b>		
Accounts Payable	\$ -	\$ -
Due to (from) Inter-Trust Accounts	-	-
<b>Total Liabilities</b>	<u>-</u>	<u>-</u>
<b>Net Trust Assets, Remediation Account for Beneficial Environmental Projects</b>	<u>4,923,939.88</u>	<u>4,811,607.41</u>
<b>Total Liabilities &amp; Net Trust Assets</b>	<u>\$ 4,923,939.88</u>	<u>\$ 4,811,607.41</u>

**Supplemental Statements of Changes in Net Trust Assets**  
**For the Six Months Ended June 30, 2023 and the Year Ended December 31, 2022**

	<u>Six Months Ended June 30, 2023</u>	<u>Year Ended December 31, 2022</u>
Total Deductions from Net Trust Assets	\$ -	\$ -
Total Additions to Net Trust Assets	112,332.47	11,529.28
Change in Net Trust Assets	<u>112,332.47</u>	<u>11,529.28</u>
Net Trust Assets, Remediation Account for Beneficial Environmental Projects Beginning	4,811,607.41	450,078.13
Funding	-	4,350,000.00
Net Trust Assets, Remediation Account for Beneficial Environmental Projects Ending	<u>\$ 4,923,939.88</u>	<u>\$ 4,811,607.41</u>

<sup>1</sup>Pursuant to ¶ 19(c) of the Consent Decree, 2022 funding was received from Mallinckrodt in December 2022. The required 2022 funding for the Trust Remediation Account for Beneficial Environmental Projects, in the amount of \$4,350,000, was deposited into the Trust Remediation Account (General) and transferred into the Trust Remediation Account for Beneficial Environmental Projects after 2023 final budgets were issued.



**Penobscot Estuary Beneficial Environmental Projects Trust (Project Trust)**  
**Trust Remediation Account for Beneficial Environmental Projects**  
**Supplemental Schedule of Detail Changes in Net Trust Assets and Budget to Actual**  
**For the Six Months Ended June 30, 2023**

	Second Quarter Ended June 30, 2023	Six Months Ended June 30, 2023	Annual Budget	Variance	% of Budget
<b>Deductions from Net Trust Assets:</b>					
2.A - Planning, Investigation, and Studies	\$ -	\$ -	\$ -	\$ -	0.0%
2.B - Design, Construction, and Implementation	-	-	-	-	0.0%
2.C - Community Involvement	-	-	-	-	0.0%
2.D - Database and Records Management	-	-	-	-	0.0%
2.E - Permitting and Regulatory Coordination	-	-	-	-	0.0%
2.F - Trustee Technical, Contract, and Project Management	-	-	-	-	0.0%
2.H - Access and Property Management	-	-	-	-	0.0%
Total Deductions from Net Trust Assets	-	-	-	-	0.0%
<b>Additions to Net Trust Assets:</b>					
Investment Income, net of expenses	58,556.38	112,332.47	-	112,332.47	
Total Additions to Net Trust Assets	58,556.38	112,332.47	-	112,332.47	
Change in Net Trust Assets	\$ 58,556.38	\$ 112,332.47	\$ -	\$ 112,332.47	
Net Trust Assets, Remediation Account for Beneficial Environmental Projects Beginning		4,811,607.41			
Funding		-			
Net Trust Assets, Remediation Account for Beneficial Environmental Projects Ending		\$ 4,923,939.88			

**Supplemental Schedule of Detail Changes in Net Trust Assets and Budget to Actual**  
**For the Year Ended December 31, 2022**

	Year Ended December 31, 2022	Revised Annual Budget	Variance	% of Budget
<b>Deductions from Net Trust Assets:</b>				
2.A - Planning, Investigation, and Studies	\$ -	\$ 5,500.00	\$ (5,500.00)	0.0%
2.B - Design, Construction, and Implementation	-	-	-	0.0%
2.C - Community Involvement	-	-	-	0.0%
2.D - Database and Records Management	-	-	-	0.0%
2.E - Permitting and Regulatory Coordination	-	-	-	0.0%
2.F - Trustee Technical, Contract, and Project Management	-	-	-	0.0%
2.H - Access and Property Management	-	-	-	0.0%
Total Deductions from Net Trust Assets	-	5,500.00	(5,500.00)	0.0%
<b>Additions to Net Trust Assets:</b>				
Investment Income, net of expenses	11,529.28	-	11,529.28	
Total Additions to Net Trust Assets	11,529.28	-	11,529.28	
Change in Net Trust Assets	\$ 11,529.28	\$ (5,500.00)	\$ 17,029.28	
Net Trust Assets, Remediation Account for Beneficial Environmental Projects Beginning		450,078.13		
Funding		4,350,000.00		
Net Trust Assets, Remediation Account for Beneficial Environmental Projects Ending		\$ 4,811,607.41		

VIII. Previous Quarterly Progress Reports

The Quarterly Progress Reports for the previous Reporting Periods can be found at the following hyperlinks:

[Quarterly Progress Report for the Second Quarter of 2023](#)

[Quarterly Progress Report for the First Quarter of 2023](#)

[Quarterly Progress Reports for the Fourth Quarter of 2022](#)