

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

NVN Liquidation, Inc., *et al.*,  
f/k/a NOVAN, INC.,<sup>1</sup>

Debtors.

Chapter 11

Case No. 23-10937 (LSS)

(Jointly Administered)

**Obj. Deadline: June 19, 2024, at 4:00 p.m. (ET)**

**Hearing Date: June 26, 2024, at 2:00 p.m. (ET)**

**FINAL FEE APPLICATION OF SMITH, ANDERSON, BLOUNT, DORSETT,  
MITCHELL & JERNIGAN, LLP, AS CORPORATE COUNSEL FOR THE  
DEBTORS AND DEBTORS IN POSSESSION, FOR ALLOWANCE OF  
COMPENSATION AND REIMBURSEMENT OF ALL ACTUAL AND  
NECESSARY EXPENSES INCURRED FOR THE PERIOD  
JULY 17, 2023 THROUGH AND INCLUDING APRIL 30, 2024**

Name of Applicant:	SMITH, ANDERSON, BLOUNT, DORSETT, MITCHELL & JERNIGAN, LLP
Authorized to Provide Professional Services to:	Debtors and Debtors in Possession
Date of Retention:	September 7, 2023, <i>nunc pro tunc</i> to July 17, 2023
Period for which compensation and reimbursement is sought:	July 17, 2023 through April 30, 2024
Amount of compensation sought as actual, reasonable and necessary:	\$283,670.27 <sup>2</sup>
Amount of reimbursement sought as actual, reasonable and necessary:	\$1,778.92
This is a <input type="checkbox"/> monthly <input type="checkbox"/> interim <input checked="" type="checkbox"/> final application	

<sup>1</sup> These chapter 11 cases are now being administered by the NVN Liquidation, Inc. Liquidating Trust, pursuant to the terms of the *Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation Proposed by the Debtors* (D.I. 542). The NVN Liquidating Trust’s mailing address is NVN Liquidation, Inc. Liquidating Trust c/o Halperin Battaglia Benzija LLP 40 Wall Street, 37th Floor New York, NY 10005 Attention: Alan Halperin, as Liquidating Trustee.

<sup>2</sup> This amount includes an additional \$5,000.00, which reflects Smith Anderson’s estimated fees incurred after April 30, 2024 through the remainder of the case. This amount is subject to augmentation based on the fees actually incurred by Smith Anderson. To the extent that Smith Anderson’s fees exceed this estimate, Smith Anderson may file a supplement to this final fee application.



**SUMMARY OF MONTHLY FEE APPLICATIONS FILED DURING THE  
PERIOD OF JULY 17, 2023 THROUGH APRIL 30, 2024**

<b>DATE FILED</b>	<b>PERIOD COVERED</b>	<b>REQUESTED FEES/EXPENSES</b>	<b>APPROVED FEES/EXPENSES</b>
10/6/23 D.I. 340	7/17/23-8/31/23	\$161,495.48/\$202.92	\$161,495.48/\$202.92
10/19/23 D.I. 369	9/1/23-9/30/23	\$57,665.49/\$0.00	\$57,665.49/\$0.00
11/21/23 D.I. 436	10/1/23-10/31/23	\$20,928.60/\$0.00	\$16,742.88/\$0.00
12/18/23 D.I. 475	11/1/23-11/30/23	\$9,030.01/\$0.00	\$9,030.01/\$0.00
1/26/24 D.I. 566	12/1/23-12/31/23	\$4,045.65/\$1,576.00	\$3,236.52/\$1,576.00
2/21/24 D.I. 609	1/1/24-1/31/24	\$8,272.96/\$0.00	\$6,618.36/\$0.00
3/19/24 D.I. 637	2/1/24-2/29/24	\$10,440.15/\$0.00	\$8,352.12/\$0.00
4/16/24 D.I. 668	3/1/24-3/31/24	\$2,186.63/\$0.00	\$1,749.30/\$0.00

**FINAL COMPENSATION BY INDIVIDUAL  
NOVAN, INC.  
(Case No. 23-10937 (LSS))**

**July 17, 2023 through April 30, 2024**

<b>Name of Professional</b>	<b>Position of the Applicant, Area of Expertise, Number of Years in that Position, Year of Obtaining License to Practice</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
Geoffrey W. Adams	Partner, Debt Finance, 25 years, 1998	\$750.75	5.3	\$3,978.98
Amy Meyers Batten	Partner, Securities, 27 years, 1992	\$782.25	1.7	\$1,329.83
Christopher B. Capel	Partner, Mergers and Acquisitions, Life Sciences, 33 years, 1985	\$834.75	36.8	\$30,718.80
Jamie H. Hinkle	Partner, Employ Benefits, 23 years, 1996	\$687.75	5	\$3,438.75
Kevin M. Ceglowski	Partner, Employment, 1 year, 2006	\$572.25	8.9	\$5,093.03
Robert E. Duggins	Partner, Mergers and Acquisitions, 33 years, 1990	\$782.25	0.3	\$234.68
James R. Jolley	Partner, Mergers and Acquisitions and Securities, 8 years, 2014	\$556.50	240.3	\$133,726.95
Rosemary G. Kenyon	Partner, Employment, 24 years, 1979	\$640.50	0.5	\$320.25
Megan C. Lambert	Partner, Intellectual Property, 7 years, 2010	\$593.25	1	\$593.25
Bart A. Norman	Partner, Debt Finance, 21 years, 2002	\$750.75	33	\$24,774.75
Gerald F. Roach	Partner, Corporate, Mergers and Acquisitions, Securities, 41 years, 1982	\$997.50	1.1	\$1,097.25
Davis F. Roach	Partner, Real State, 11 years, 2012	\$561.75	0.2	\$112.35
Caryn Coppedge McNeil	Partner, Employee Benefits, 33 years, 1991	\$719.25	0.5	\$359.63
Anna B. Osterhout	Counsel, Bankruptcy, 14 years, 1993	\$504.00	0.8	\$403.20
Siddhartha Aneja	Associate, Mergers and Acquisitions, 1 year, 2023	\$388.50	10.7	\$4,156.95
Jenny Bobbitt	Associate, Employment, 4 years, 2016	\$456.75	1.3	\$593.78
Lauren E. Davis	Associate, Employment, 2 years, 2021	\$441.00	1.4	\$617.40
Alice Dias	Associate, Debt Finance, 4 years, 2013	\$488.25	63	\$30,759.75
Olivia (Jamrog) Meade	Associate, Securities, 2 years, 2022	\$441.00	42.5	\$18,742.50
Tommy Postek	Associate, Employment, 1 year, 2018	\$414.75	0.7	\$290.33
G. David Johnson	Associate, Debt Finance, 1 year, 2022	\$388.50	8.3	\$3,224.55
V. Dawson Kirkland	Associate, Mergers and Acquisitions, 2 years, 2019	\$504.00	10.6	\$5,342.40

<b>Name of Professional</b>	<b>Position of the Applicant, Area of Expertise, Number of Years in that Position, Year of Obtaining License to Practice</b>	<b>Hourly Billing Rate</b>	<b>Total Billed Hours</b>	<b>Total Compensation</b>
Robert W. Shaw	Partner, Regulatory, 5 years, 2004	\$624.75	0.3	\$187.43
Nicholas R. Zanzot	Associate, Mergers and Acquisitions, 1 year, 2023	\$367.50	5.4	\$1,984.50
Alex Simpson	Paralegal, Corporate, 2 years, 2021	\$210.00	2	\$420.00
Lisa M. Young	Paralegal, Corporate, 29 years, 1994	\$346.50	16.8	\$5,821.20
Linnell Compton	Paralegal, Corporate and Debt Finance, 2 years, 2021	\$231.00	1.5	\$346.50
<b>Total</b>		<b>\$557.45</b>	<b>499.9</b>	<b>\$278,668.95</b>
<b>BLENDED RATE: \$557.45</b>				
<b>ATTORNEY BLENDED RATE: \$567.31</b>				

**FINAL COMPENSATION BY PROJECT CATEGORY**

**NVN Liquidation, Inc., et al.**  
**(Case No. 23-10937 (LSS))**  
**July 17, 2023 through April 30, 2024**

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
Asset Disposition/ 363 Sales	140.5	\$78,321.64
Executory Contracts/Unexpired Leases	27.0	\$15,051.13
Other Contested Matters	12.7	\$7,079.61
Employee Matters	17.3	\$9,643.87
Financing Matters/Cash Collateral	106.1	\$59,145.38
Vendor/Supplier Matters	28.5	\$15,887.31
Securities Filings	40.0	\$22,297.98
Professional Retention (Other-Filing)	23.4	\$13,044.32
General Corporate Matters (including Corporate Governance)	62.9	\$35,063.57
Claims-Related Matters	2.0	\$1,114.90
Wind-down	22.5	\$12,542.61
Schedules/SOFA/U.S. Trustee Reports	17.0	\$9,476.64
<b>TOTAL</b>	<b>499.9</b>	<b>\$278,668.95</b>

**FINAL EXPENSE SUMMARY**

**NVN Liquidation, Inc., et al.**  
**(Case No. 23-10937 (LSS))**  
**July 17, 2023 through April 30, 2024**

<b>Expense Category</b>	<b>Total Expenses</b>
Computer Research - Westlaw	\$202.92
Wind-down (Filing Fees for Dissolution of Subsidiaries)	\$1,576.00
<b>TOTAL</b>	<b>\$1,778.92</b>

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**FINAL FEE APPLICATION OF SMITH, ANDERSON, BLOUNT, DORSETT,  
MITCHELL & JERNIGAN, LLP, AS CORPORATE COUNSEL FOR THE  
DEBTORS AND DEBTORS IN POSSESSION, FOR ALLOWANCE OF  
COMPENSATION AND REIMBURSEMENT OF ALL ACTUAL AND  
NECESSARY EXPENSES INCURRED FOR THE PERIOD  
JULY 17, 2023 THROUGH AND INCLUDING APRIL 30, 2024**

Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan, LLP (“Smith Anderson”), as corporate counsel for the debtors and debtors in possession in the above-captioned cases (the “Debtors”), submits this application (the “Application”) for final allowance of compensation for professional services rendered by Smith Anderson to the Debtors for the period of July 17, 2023 through April 30, 2024 (the “Final Application Period”) and final reimbursement of actual and necessary expenses incurred by Smith Anderson during the Final Application Period pursuant to sections 330 and 331 of title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), Rule 2016-2 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Delaware (the “Local Rules”), and the *Order Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Professionals* (D.I. 218) (the “Interim

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<sup>1</sup> These chapter 11 cases are now being administered by the NVN Liquidation, Inc. Liquidating Trust, pursuant to the terms of the *Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation Proposed by the Debtors* (D.I. 542). The NVN Liquidating Trust’s mailing address is NVN Liquidation, Inc. Liquidating Trust c/o Halperin Battaglia Benzija LLP 40 Wall Street, 37th Floor New York, NY 10005 Attention: Alan Halperin, as Liquidating Trustee.

Compensation Procedures Order”). In support of this Application, Smith Anderson represents as follows:

### **JURISDICTION**

1. This Court has jurisdiction to consider this Application pursuant to 28 U.S.C. §§ 157 and 1334, and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware dated as of February 29, 2012. This is a core proceeding under 28 U.S.C. § 157(b)(2). Venue of these cases and the Application is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.

2. The statutory bases for the relief requested herein are sections 330 and 331 of the Bankruptcy Code, as supplemented by Bankruptcy Rule 2016, Local Rule 2016-2, the Office of the United States Trustee Guidelines (the “U.S. Trustee Guidelines”), and the Interim Compensation Procedures Order.

### **BACKGROUND**

3. On July 17, 2023 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 of the Bankruptcy Code in this Court. The Debtors continue to manage their assets as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

4. On July 28, 2023, the Office of the United States Trustee for the District of Delaware (the “U.S. Trustee”) appointed an Official Committee of Unsecured Creditors (the “Committee”).

5. On January 26, 2024, the Court entered the Order (I) Approving Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation Proposed by the Debtors as Containing Adequate Information on a Final Basis and (II) Confirming Combined Disclosure Statement and Chapter 11 Plan of Liquidation Proposed by the Debtors (D.I. 568) (the



“Confirmation Order”), confirming the Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation Proposed by the Debtors (D.I. 459, 529, 542) (together with the Plan Supplement, the “Plan”).

6. The effective date of the Plan occurred on April 30, 2024 (the “Effective Date”). Pursuant to section 6.2 of the Plan, applications for the Final Application Period for services rendered prior to the Effective Date shall be filed no later than May 30, 2024 (prevailing Eastern Time).

### **SMITH ANDERSON’S RETENTION**

7. Before commencing these chapter 11 cases, the Debtors retained Smith Anderson to provide business, corporate, securities, employment and transactional advice. On August 16, 2023, the Debtors filed the *Debtors’ Application for Entry of an Order Under 11 U.S.C. §§ 327(e) and 328(a) of the Bankruptcy Code, Bankruptcy Rule 2014(a), and Local Rule 2014-1 Authorizing Retention and Employment of Smith, Anderson, Blount, Dorsett, Mitchell & Jernigan, LLP as Corporate Counsel for the Debtors Nunc Pro Tunc to the Petition Date* (D.I. 173) (the “Smith Anderson Retention Application”).

8. On September 7, 2023, this Court granted the Smith Anderson Retention Application pursuant to the *Order Pursuant to 11 U.S.C. §§ 327(e) and 328(a) of the Bankruptcy Code, Bankruptcy Rule 2014(a), and Local rule 2014-1 Authorizing Retention and Employment of Smith, Anderson, Blount Dorsett, Mitchell & Jernigan, LLP as Corporate Counsel for the Debtors Nunc Pro Tunc to the Petition Date* (D.I. 265) (the “Smith Anderson Retention Order”).

### **INTERIM COMPENSATION PROCEDURES ORDER**

9. The Court entered the Interim Compensation Procedures Order on August 21, 2023. The Interim Compensation Procedures Order sets forth the procedures for interim

compensation and reimbursement of expenses for any professionals retained under section 327 and/or 1103 of the Bankruptcy Code in this chapter 11 case (each a “Professional” and collectively, the “Professionals”).

10. In particular, the Interim Compensation Procedures Order provides that Professionals will each file a final application for compensation and reimbursement (the “Final Fee Application”) on or before the deadline set in a confirmed chapter 11 plan or an order of the Court. Each Final Fee Application must comply with the Bankruptcy Code, the Bankruptcy Rules, the Local Rules, and this Court’s orders. Neither (i) the payment of or the failure to pay, in whole or in part, monthly or interim compensation and reimbursement of expenses under the Compensation Procedures nor (ii) the filing of or failure to file an Objection will bind any party in interest or the Court with respect to the final allowance of applications for compensation and reimbursement of expenses of Professionals. All fees and expenses paid to Professionals under the Compensation Procedures are subject to disgorgement until final allowance by the Court.

#### **RELIEF REQUESTED**

11. Smith Anderson submits this Application for (i) final allowance of reasonable compensation for the actual, reasonable, and necessary professional services that it has rendered as counsel for the Debtors in these cases during the Final Application Periods and (ii) final reimbursement of actual, reasonable, and necessary expenses incurred by Morris Nichols representing the Debtors during the Final Application Periods.

#### **THE FINAL APPLICATION PERIOD**

12. Smith Anderson seeks allowance of \$278,670.27, for actual, reasonable, and necessary legal services rendered to the Debtors during the Final Application Period, plus \$5,000 for estimated fees incurred after the Effective Date; and \$1,778.92 as reimbursement of actual,

reasonable, and necessary expenses incurred in connection with the rendition of such services during the Final Application Period. Detailed descriptions of the services rendered and expenses incurred by Smith Anderson during the Final Application Period are set forth on Exhibits A and B, respectively, of the monthly fee applications filed by Smith Anderson in these chapter 11 cases. Smith Anderson requests that the Liquidating Trust be authorized and directed to pay Smith Anderson an amount equal to the sum of the allowed compensation and expense reimbursement during the Final Application Period, less any amounts previously paid by the Debtors.

**NOTICE**

13. Smith Anderson has provided notice of the Application to: (a) the Liquidating Trust; (b) counsel to the Liquidating Trust; (c) the United States Trustee for the District of Delaware; and (d) any other party that has requested notice pursuant to Local Rule 2002-1(b). Smith Anderson submits that no other or further notice need be provided.

WHEREFORE, Smith Anderson respectfully requests that this Court (i) allow Smith Anderson (a) final compensation in the amount of \$278,670.27 for actual, reasonable, and necessary services rendered to or on behalf of the Debtors during the Final Application Period, plus \$5,000.00 for estimated fees incurred after the Effective Date; (b) final reimbursement of \$1,778.92 for actual, reasonable, and necessary expenses incurred during the Final Application Period; (c) authorize and direct the Liquidating Trust to pay Smith Anderson an amount equal to the sum of such allowed compensation and reimbursement, less any amounts previously paid by the Debtors, and subject to the provisions of the Plan; and (ii) grant such other relief as the Court deems just and proper.

Dated: May 30, 2024  
Wilmington, Delaware

Respectfully submitted,

*/s/ James R. Jolley*

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**SMITH, ANDERSON, BLOUNT, DORSETT,  
MITCHELL & JERNIGAN LLP**

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*Corporate Counsel to the Pre-Effective Date Debtors and  
Debtors in Possession*