

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

In re:

NVN Liquidation, Inc. f/k/a NOVAN, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10937 (LSS)

(Jointly Administered)

Hearing Date: March 24, 2025 at 10:00 a.m. (ET)

Obj. Deadline: March 17, 2025 at 4:00 p.m. (ET)

**MOTION OF THE TRUSTEE FOR ENTRY OF AN ORDER PURSUANT TO
BANKRUPTCY CODE SECTIONS 105(A) AND BANKRUPTCY RULE 9006
EXTENDING THE PERIOD WITHIN WHICH THE TRUSTEE MAY OBJECT TO
ALL CLAIMS**

By this motion (the “Motion”), Alan D. Halperin, solely in his capacity liquidating trustee (the “Trustee”) of the NVN Liquidation, Inc. Liquidating Trust (the “Trust”) as successor in interest to the remaining assets of NVN Liquidation, Inc. f/k/a Novan, Inc. and EPI Health, LLC (collectively, the “Debtors”), by and through his undersigned counsel, seeks entry of an order, substantially in the form attached hereto as Exhibit A (the “Proposed Order”), pursuant to section 105(a) of Title 11 of the United States Code (as amended and applicable herein, the “Bankruptcy Code”), Rule 9006 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and Rule 9006-2 of the Local Rules of Bankruptcy Practice and Procedure (“Local Rules”) of the United States Bankruptcy Court for the District of Delaware (the “Court”), extending the Claims Objection Deadline (as defined below) by approximately one (1) year through and including May 1, 2026. In support of the Motion, the Trustee respectfully represents as follows:

¹ The Debtors in these chapter 11 cases, along with the last four digits of the Debtors’ federal tax identification number, are: NVN Liquidation, Inc. (f/k/a Novan, Inc.) (7682) and EPI Health, LLC (9118).



JURISDICTION AND VENUE

1. The Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334 and Article XVII of the Plan. This is a core proceeding under 28 U.S.C. § 157(b). Venue of these cases and this Motion in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicate for the relief requested herein is sections 105(a) of the Bankruptcy Code, Bankruptcy Rule and 9006 and Local Rule 9006-2.

BACKGROUND

3. On July 17, 2023 (the “Petition Date”), the Debtors each filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code in this Court. The Debtors’ bankruptcy cases are jointly administered under Case No. 23-10937 (these “Cases”).

4. On July 19, 2023, the Court entered an order authorizing and approving the retention of Kurtzman Carson Consultants, LLC, now doing business as Verita Global, as claims and noticing agent (the “Claims Agent”) in these Cases [Docket No. 35] to, among other things, maintain the official claims register for the Debtors (the “Claims Register”).

5. On January 26, 2024 (the “Confirmation Date”), this Court entered an *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* [Docket No. 568] (the “Confirmation Order”) confirming the *Amended Combined Disclosure Statement and Chapter 11 Plan of Liquidation Proposed by the Debtors* dated January 26, 2024 [Docket No. 568-1], together with the Plan Supplement [Docket No. 522] and the amendment thereto [Docket No. 543], (collectively, as amended, supplemented, or otherwise

modified, the “Plan”). The Plan became effective on April 30, 2024 (the “Effective Date”) [Docket No. 677].

6. On the Effective Date, in accordance with the Confirmation Order, the Plan and the *NVN Liquidating Trust Agreement* (the “Trust Agreement”), the Trust was established, and the Trustee was appointed as Trustee of the Trust and the duly appointed representative of each of the Debtors and their estates with all rights and powers of a trustee under the Bankruptcy Code.

7. Pursuant to the Plan, the “Claims Objection Deadline” means 1 year after the Effective Date (i.e. April 30, 2025) for the Trustee or such later date as may be ordered by the Bankruptcy Court, *provided, however*, that the Trustee may seek extensions of this date from the Bankruptcy Court. *See Plan, Article 1.23.*

RELIEF REQUESTED

8. By this Motion, the Trustee seeks entry of the Proposed Order, under sections 105(a) of the Bankruptcy Code, Bankruptcy Rule 9006 and Local Rule 9006-2, extending the Claims Objection Deadline for an additional year, each through and including April 30, 2026, without prejudice to the Trustee’s right to seek further extensions.

9. Since the Effective Date, the Trustee and his professionals have been working diligently recovering assets, responding to creditor inquiries, pursuing causes of action, administering the estates, and working on the claims reconciliation process. The claims reconciliation process has included resolutions of administrative, priority and general unsecured disputed claims. Additionally, the Trustee has filed four omnibus claim objections in this case. *See Docket Nos. 764, 765, 784, and 785.* The Trustee and his professionals are in active discussions with claimants to resolve disputed and/or unliquidated claims and require more time to resolve such claims. The Trustee anticipates filing more claim objections in the near future as

he continues his ongoing claim review process and if he is unable to resolve disputed claims consensually.

10. While the Trustee and his professionals are actively working on completing the claims reconciliation process, they need more time to complete the process, including filing any need objections, to maximize recoveries to all holders of allowed claims.

BASIS FOR RELIEF

11. Bankruptcy Rule 9006(b) provides that the Court may extend a time period provided under the Bankruptcy Rules or order of the Court, except for time periods provided under certain Bankruptcy Rules that are not applicable here. *See* Fed. R. Bankr. P. 9006(b). Section 105(a) of the Bankruptcy Code provides that “[t]he court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title.” 11 U.S.C. § 105(a). In addition, it is generally recognized that “[s]ection 105(a) authorizes the bankruptcy court, or the district court sitting in bankruptcy, to fashion such orders as are required to further the substantive provisions of the Code.” *See In re Morristown & E. R. Co.*, 885 F.2d 98, 100 (3d Cir. 1989) (*citing* COLLIER ON BANKRUPTCY, ¶ 105.04 at 105-15 & n. 5 (15th rev. ed. 1989)). Moreover, the Plan itself provides that the Claims Objection Deadline may each be extended by the Court from time to time upon request by the Trustee. And Local Rule 9006-2 provides for an automatic extension of time when a timely motion to extend time is filed.²

12. In this instance, sufficient cause exists to extend the Claims Objection Deadline. The requested extension of time will provide the Trustee the opportunity to continue his claims analysis, object to claims that are factually and legally unsupportable, and attempt to negotiate the resolution of objections to claims for the benefit of the Debtors’ estates and their creditors.

² Thus, the filing of this Motion prior to the expiration of the current Claims Objection Deadline automatically extends such deadline until such time as the Court rules on this Motion.

13. The Trustee further requests that entry of the Proposed Order be without prejudice to the rights of the Trustee to seek further extensions of the Claims Objection Deadline as may be needed.

NOTICE

14. Notice of this Motion has been given to: (a) the U.S. Trustee and (b) all parties entitled to notice pursuant to Bankruptcy Rule 2002. The Trustee submits that, in light of the nature of the relief requested, no further notice need to be given.

WHEREFORE, the Trustee respectfully requests the entry of the Proposed Order granting the relief requested herein and such other and further relief as the Court may deem just and proper.

Dated: March 10, 2025
Wilmington, Delaware

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Counsel to the Trustee

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

In re:

NVN Liquidation, Inc. f/k/a NOVAN, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10937 (LSS)

(Jointly Administered)

Hearing Date: March 24, 2025 at 10:00 a.m. (ET)

Obj. Deadline: March 17, 2025 at 4:00 p.m. (ET)

NOTICE OF MOTION AND HEARING

PLEASE TAKE NOTICE that on March 10, 2025, the Trustee, through his undersigned counsel, filed the *Motion of the Trustee for Entry of an Order Pursuant to Bankruptcy Code Sections 105(A) and Bankruptcy Rule 9006 Extending the Period Within Which the Trustee May Object to All Claims* (the “Motion”) with the United States Bankruptcy Court for the District of Delaware (the “Court”).

PLEASE TAKE FURTHER NOTICE that objections or responses to the relief requested in the Motion, if any, must be made in writing and filed with the Clerk of the Court, 3rd Floor 824 North Market Street, Wilmington, Delaware 19801, on or before **March 17, 2025, at 4:00 p.m. (ET).**

PLEASE TAKE FURTHER NOTICE that a hearing with respect to the Motion, if required, will be held before the Honorable Laurie Selber Silverstein, United States Bankruptcy Judge for the District of Delaware, at the Court, 824 North Market Street, 6th Floor, Courtroom 6, Wilmington, Delaware 19801 on **March 24, 2025, at 10:00 a.m. (ET).**

PLEASE TAKE FURTHER NOTICE THAT, IF NO OBJECTIONS TO THE MOTION ARE TIMELY FILED IN ACCORDANCE WITH THIS NOTICE, THE COURT

¹ The Debtors in these chapter 11 cases, along with the last four digits of the Debtors’ federal tax identification number, are: NVN Liquidation, Inc. (f/k/a Novan, Inc.) (7682) and EPI Health, LLC (9118).

**MAY GRANT THE RELIEF REQUESTED IN THE MOTION WITHOUT FURTHER
NOTICE OR HEARING.**

Dated: March 10, 2025
Wilmington, Delaware

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EXHIBIT A

Proposed Order

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

In re:

NVN Liquidation, Inc. f/k/a NOVAN, Inc., *et al.*,¹

Debtors.

Chapter 11

Case No. 23-10937 (LSS)

(Jointly Administered)

Re: Docket No. _____

**ORDER GRANTING MOTION OF THE TRUSTEE FOR ENTRY OF AN ORDER
PURSUANT TO BANKRUPTCY CODE SECTIONS 105(A) AND BANKRUPTCY
RULE 9006 EXTENDING THE PERIOD WITHIN WHICH THE TRUSTEE MAY
OBJECT TO ALL CLAIMS**

Upon consideration of the *Motion of the Trustee for Entry of an Order Pursuant to Bankruptcy Code Sections 105(A) and Bankruptcy Rule and 9006 Extending the Period within which the Trustee May Object to All Claims* (the “Motion”) filed by the Trustee² seeking an extension of the Claims Objection Deadline and granting related relief all as more fully set forth in the Motion; and the Court having reviewed the Motion and having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334, the *Amended Standing Order of Reference* dated February 29, 2012 issued by the Court, and Article 1.23 of the Plan; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; this Court having determined that there is good

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² Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

and sufficient cause for the relief set forth in this Order; and after due deliberation thereon, IT IS
HEREBY ORDERED THAT

1. The Motion is GRANTED as set forth herein.
2. The Claims Objection Deadline is extended through and including April 30, 2026.
3. Entry of this Order is without prejudice to the rights of the Trustee to seek further extensions of the Claims Objection Deadline.
4. The Trustee is authorized to take all actions necessary to effectuate the relief granted pursuant to this Order in accordance with the Motion.
5. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, and/or enforcement of this Order.