HALPERIN BATTAGLIA BENZIJA, LLP

Debra J. Cohen ▪ Of Counsel
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May 7, 2026

Via Email
Takia Coleman
120 West End Blvd
Emporia, VA 23847

Re: NVN Liquidation, Inc. f/k/a Novan, Inc. and EPI Health, Inc.
Jointly Administered Case Number 23-10937

Dear Ms. Coleman:

As we advised you yesterday on the telephone, this firm is counsel to Alan D. Halperin (the "Trustee") in his capacity as Trustee of the NVN Liquidation, Inc. Liquidating Trust (the "Trust"). The Trust is successor in interest to the remaining assets of NVN Liquidation, Inc. f/k/a Novan, Inc. ("NVN") and EPI Health, Inc. (collectively with NVN, the "Debtors"), each of which filed a voluntary petition for bankruptcy relief under chapter 11 of Title 11 of the United States Code on July 17, 2023 in the United States Bankruptcy Court for District of Delaware (the "Court"). NVN was dissolved on January 13, 2025 in its state of incorporation and EPI was dissolved on January 31, 2025 in its state of formation.

We are in receipt of your attached draft form of letter to the Court advising that NVN' federal identification number was purportedly used to erroneously report wages on account of your social security number for the 2024 tax year.

As a threshold matter, while we appreciate that the purported error may be causing you substantial concern, there is no basis for your allegation that the purported error originated from the Debtors' estates. Indeed, NVN's federal identification number is public information given that it is listed on its chapter 11 petition that was filed with the Court. Moreover, we are advised that no payrolls for the Debtors were run in 2024, and since his appointment on April 30, 2024, no W-2s were authorized to be filed by the Trustee on behalf of the Debtors' estates or the Trust.

Moreover, notwithstanding your contention to the contrary, the Trustee did not decline to assist you in resolving the matter, rather, as we advised you, neither the Trustee nor this firm were in a position to take immediate action without confirming whether you may have had any relationship with the Debtors and investigating the issues you raised. Indeed, we were only in a position to confirm that you held no claims in the bankruptcy cases. However, at your request, shortly after our telephone discussion, we forwarded to you an email that you advised us would be helpful to you confirming that during the pendency of the Debtors' bankruptcy cases, the Debtors ceased business operations and terminated all of their employees in the third quarter of 2023, therefore, no employees remained, and no wages were paid by the Debtors in 2024 or thereafter.

In addition, immediately after we spoke to you, to address the issues, we reached out to the company that handled the Debtors' payroll processing to confirm that no income was accidentally reported by the Debtors for any employee in 2024, and the processor confirmed that no payroll was run in 2024 and there was no record of you as an employee. Yesterday, we also reached out to the accountants for the Debtors' estates and arranged for them to reach out to the Internal Revenue Service, on the Trustee's behalf, to look into the issues and ascertain what may have occurred.

Please be assured that the Trustee is taking this matter very seriously and is making every effort to address any error that may have occurred.

Sincerely,

Debra J. Cohen
Enclosure
cc: Alan D. Halperin, Esq.

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Takia Coleman

Coleman’s Tax Consulting, LLC

120 West End Blvd, Emporia Va 23847

434-632-1284

May 7th, 2026

Re: In re: Novan, Inc., et al., Case No. 23-10937 (LSS)

Subject: NOTICE OF REPORTING ERROR AND FORMAL REQUEST FOR ADMINISTRATIVE CORRECTION

Dear Honorable Judge Silverstein,

I am writing to this Court as a "Party in Interest" regarding a significant reporting error originating from the Debtors’ estate that is causing me severe financial hardship and legal jeopardy with the Internal Revenue Service (IRS) and the Social Security Administration (SSA).

Specifically, the Debtors' EIN (20-4427682) has reported $142,356.00 in wages to my Social Security Number (ending in 0695) for the 2024 tax year. I have never been an employee of



Novan, Inc. or any of its subsidiaries, nor have I ever received any compensation, stock distributions, or payments of any kind from this estate.

I have proactively contacted the Liquidating Trustee, Alan Halperin, and his assistant, Debra Cohen. Both have admitted during our conversations that this reporting is "strange" and that their internal records show no history of my employment or any payments made to me in 2024. In fact, they confirmed the company has had no employees since the July 2023 bankruptcy filing.

Despite these admissions, the Trustee has declined to issue a corrected Form W-2c. As a tax professional and CEO of my own firm, I am acutely aware that "strange" is not a legal defense against an IRS audit. My personal tax account is currently flagged with a Transaction Code 810 (Refund Freeze) because the IRS expects me to pay taxes on this $142,356 of "phantom income."

While this estate moves toward final liquidation on May 26th, I cannot be left as the sole party responsible for a high-five-figure tax liability created by the Debtors' clerical or system errors. It is fundamentally unfair for the Debtors to be excused through liquidation while leaving a third party with an erroneous federal tax debt.

I respectfully request that the Court order the Liquidating Trustee to perform one of the following two actions before the final liquidation is approved:

1. Immediate Correction: Issue and file a corrected Form W-2 and W-3 (showing $0.00 income) to me, the IRS, and the SSA to resolve this discrepancy; OR



2. Payment of Reported Wages: Remit to me the $142,356.00 that has already been reported to the federal government as paid to me.

If the Court allows the estate to close without addressing this "ghost" reporting, I will be stuck in a years-long battle with the IRS over income the Trustee admits I never received. I thank the Court for its time and for ensuring that the wind-down of this estate does not cause further collateral damage to innocent third parties.

Respectfully Submitted,

Takia Coleman

Owner, Coleman's Tax Consulting, LLC