

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

In re:	)	
	)	Chapter 11
NVN Liquidation, Inc., <i>et al.</i> ,	)	
f/k/a NOVAN, INC., <sup>1</sup>	)	Case No. 23-10937 (LSS)
	)	
Debtors.	)	(Jointly Administered)
	)	
	)	<b>Re: D.I. 598</b>
	)	

---

**CERTIFICATION OF COUNSEL REGARDING DEBTORS' MOTION TO SELL  
CERTAIN ASSETS TO DERMIX PHARMA, LLC**

The undersigned counsel to the above-captioned debtors and debtors in possession (the "Debtors") hereby certifies as follows:

1. On February 14, 2024, the Debtors filed the *Motion to Sell Certain Assets to Dermix Pharma, LLC* [D.I. 598] (the "Motion"). Attached to the Motion as Exhibit B was a form of order approving the Motion (the "Proposed Order").

2. The deadline to file objections to the relief requested in the Motion was February 28, 2024, at 4:00 p.m. (ET), extended to March 1, 2024, solely in regard to the United States Food and Drug Administration (the "FDA"). Prior to the objection deadline, the Debtors received informal comments from the FDA. Other than the informal comments from the FDA, the Debtors did not receive any other objections or informal comments to the Motion.

3. To resolve the informal comments from the FDA, the Debtors have made certain revisions to the Proposed Order. A copy of the revised proposed form of order reflecting these revisions (the "Revised Proposed Order") is attached hereto as **Exhibit A**. For the

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digitals of the Debtors' federal tax identification number (if applicable), are: NVN Liquidation, Inc., (f/k/a Novan, Inc.) (7682) and EPI Health, LLC (9118). The corporate headquarters and the mailing address for the Debtors is P.O. Box 64, Pittsboro, NC 27312.



convenience of the Court and all parties in interest, a blackline comparing the Revised Proposed Order to the Proposed Order is attached hereto as **Exhibit B**.

4. The FDA has been provided a copy of the Revised Proposed Order and does not object to its entry.

WHEREFORE, the Debtors respectfully request that the Revised Proposed Order be entered at the earliest convenience of the Court.

Dated: March 1, 2024  
Wilmington, Delaware

Respectfully submitted,

/s/ Casey B. Sawyer

**MORRIS, NICHOLS, ARSHT & TUNNELL LLP**

Derek C. Abbott (No. 3376)

Daniel B. Butz (No. 4227)

Tamara K. Mann (No. 5643)

Scott D. Jones (No. 6672)

Casey B. Sawyer (No. 7260)

1201 Market Street, 16th Floor

Wilmington, Delaware 19801

Telephone: (302) 658-9200

Facsimile: (302) 658-3989

Email: dabbott@morrisnichols.com

dbutz@morrisnichols.com

tmann@morrisnichols.com

sjones@morrisnichols.com

csawyer@morrisnichols.com

*Counsel to the Debtors and Debtors in Possession*

**Exhibit A**

**(Revised Proposed Order)**

**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)

**Re:**

**ORDER AUTHORIZING DEBTOR'S MOTION  
TO SELL CERTAIN ASSETS TO DERMIX PHARMA, LLC.**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtor and debtor in possession (the “Debtor”), for entry of an order under sections 105(a) and 363 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) authorizing the immediate sale of the Assets to Purchaser; and the Court having reviewed the Motion and the exhibit attached thereto and having considered, if applicable, the statements of counsel and the evidence adduced with respect to the Motion, if any, at a hearing before the Court (if any, the “Hearing”); the Court finding that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), (iii) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409, and (iv) notice of the Motion and the Hearing was sufficient under the circumstances; and the Court further finding that the relief sought in the Motion is in the best interests of the Debtor, its estate, its creditors, and all parties in interest; the Court having determined that the legal and factual bases set

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digitals of the Debtors’ federal tax identification number (if applicable), are: NVN Liquidation, Inc., (f/k/a Novan, Inc.) (7682) and EPI Health, LLC (9118). The corporate headquarters and the mailing address for the Debtors is P.O. Box 64, Pittsboro, NC 27312.

<sup>2</sup> Capitalized terms used, but not defined herein, are defined in the Motion.

forth in the Motion and attached exhibit and at the Hearing, if any, establish just cause for the relief granted herein; and after due deliberation thereon and good and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtor's entry into the Agreement is hereby approved.
3. The Debtor is authorized to perform pursuant to the terms and conditions set forth in the Agreement, including the sale of the Assets, and transfer of the Assumed Liabilities, to Purchaser.
4. Purchaser is directed to deliver the consideration set forth in the Agreement to the Debtor.
5. The Debtor is further authorized and empowered to take such actions as may be necessary and appropriate to effectuate the relief granted pursuant to this Order in accordance with the Motion and the Agreement.
6. Notwithstanding any provision to the contrary in the Sale Motion, this Order, and any implementing sale documents, the Debtors and the Purchaser Agree to comply with all applicable non-bankruptcy law.
7. The terms and conditions of this Order shall be immediately effective and enforceable upon entry and the fourteen-day stay period under Bankruptcy Rule 6004(h) is hereby waived.
8. This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.

**Exhibit B**

**(Blackline)**

**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)

**Re:**

**ORDER AUTHORIZING DEBTOR'S MOTION  
TO SELL CERTAIN ASSETS TO DERMIX PHARMA, LLC.**

Upon the motion (the “Motion”)<sup>2</sup> of the above-captioned debtor and debtor in possession (the “Debtor”), for entry of an order under sections 105(a) and 363 of title 11 of the United States Code (the “Bankruptcy Code”) and Rules 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) authorizing the immediate sale of the Assets to Purchaser; and the Court having reviewed the Motion and the exhibit attached thereto and having considered, if applicable, the statements of counsel and the evidence adduced with respect to the Motion, if any, at a hearing before the Court (if any, the “Hearing”); the Court finding that (i) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (ii) this is a core proceeding pursuant to 28 U.S.C. § 157(b)(2), (iii) venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409, and (iv) notice of the Motion and the Hearing was sufficient under the circumstances; and the Court further finding that the relief sought in the Motion is in the best interests of the Debtor, its estate, its creditors, and all parties in interest; the Court having determined that the legal and factual bases set

---

<sup>1</sup> The Debtors in these chapter 11 cases, along with the last four digitals of the Debtors’ federal tax identification number (if applicable), are: NVN Liquidation, Inc., (f/k/a Novan, Inc.) (7682) and EPI Health, LLC (9118). The corporate headquarters and the mailing address for the Debtors is P.O. Box 64, Pittsboro, NC 27312.

<sup>2</sup> Capitalized terms used, but not defined herein, are defined in the Motion.

forth in the Motion and attached exhibit and at the Hearing, if any, establish just cause for the relief granted herein; and after due deliberation thereon and good and sufficient cause appearing therefor;

IT IS HEREBY ORDERED THAT:

1. The Motion is GRANTED.
2. The Debtor's entry into the Agreement is hereby approved.
3. The Debtor is authorized to perform pursuant to the terms and conditions set forth in the Agreement, including the sale of the Assets, and transfer of the Assumed Liabilities, to Purchaser.
4. Purchaser is directed to deliver the consideration set forth in the Agreement to the Debtor.
5. The Debtor is further authorized and empowered to take such actions as may be necessary and appropriate to effectuate the relief granted pursuant to this Order in accordance with the Motion and the Agreement.
6. Notwithstanding any provision to the contrary in the Sale Motion, this Order, and any implementing sale documents, the Debtors and the Purchaser Agree to comply with all applicable non-bankruptcy law.
7. ~~6.~~ The terms and conditions of this Order shall be immediately effective and enforceable upon entry and the fourteen-day stay period under Bankruptcy Rule 6004(h) is hereby waived.
8. ~~7.~~ This Court shall retain jurisdiction with respect to all matters relating to the interpretation or implementation of this Order.