

CAUSE NO. 2024-48085

ATLANTIC WAVE HOLDINGS, LLC
and SECURE COMMUNITY, LLC,

Plaintiff/Judgment-Creditor

v.

CYBERLUX CORPORATION and
MARK D. SCHMIDT, Individually,

Defendant/Judgment Debtors.

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IN THE DISTRICT COURT OF

HARRIS COUNTY, TEXAS

129TH JUDICIAL DISTRICT

**AMENDED ORDER GRANTING DEFENDANTS' MOTION TO STAY OR
OTHERWISE SUSPEND ORDER APPOINTING RECEIVER**

Before the Court is Defendants' Motion to Stay or Otherwise Suspend Order Appointing Receiver ("Turnover Order"). After reviewing the Motion, the record, the related responses and documents, and arguments of counsel, the Court finds that the Motion is well-taken and should be **GRANTED**.

The Receiver was appointed pursuant to the Court's authority under Texas Civil Practice & Remedies Code § 31.002(b)(3).

The Court finds that the Receiver's authority to take possession of and sell nonexempt property, as expressly stated in § 31.002(b)(3), is limited to the extent required to satisfy the judgment. Further, the Court finds that the Receiver lacks authority to take possession of and sell nonexempt property in excess of the amount of the judgment.

The Court finds that funds sufficient to satisfy the judgment have been tendered to the Receiver.

The Court finds that, because funds sufficient to satisfy the judgment have been tendered to the Receiver, any further activity by the Receiver to take possession or sell

Judgment Debtors nonexempt property would exceed the statutory authority conferred upon the Receiver under Texas Civil Practice & Remedies Code § 31.002(b)(3).

The Court finds that the judgment has been satisfied.

The Court finds that the purpose of the receivership has been accomplished. As a result, the Court finds that the receivership should be dissolved.

The Court finds that the Turnover Order is nullified.

The Receiver is **ORDERED** to suspend all activities to take possession of and sell nonexempt property of Judgment Debtors.

The Receiver is **ORDERED** to contact all parties and third parties contacted by the Receiver or his agents or representatives and to provide notice of this order.

IT IS ORDERED that Judgment Debtors may carry out the business operations of Cyberlux Corporation without consent or approval of the Receiver.

IT IS ORDERED that the receivership is terminated. The Receiver is ordered to file his accounting and expenses.

IT IS ORDERED that the judgment be marked satisfied.

The Court finds that there is a dispute over the amount of credits and offsets to be applied to the judgment. The parties are ordered to submit documentation reflecting the credits and offsets they contend should be applied.

IT IS ORDERED that, after the Court's determination of the credits and offsets to be applied, and the determination of the Receiver's compensation, that any remaining funds be relinquished to Judgment Debtors, for the benefit of Legalist SPV III, LP ("Legalist").

SO ORDERED.