

**VIRGINIA:**

**IN THE CIRCUIT COURT OF THE CITY OF RICHMOND**

<p><b>ATLANTIC WAVE HOLDINGS, LLC AND SECURE COMMUNITY, LLC,</b></p> <p><i>Plaintiffs,</i></p> <p>v.</p> <p><b>CYBERLUX CORPORATION and MARK D. SCHMIDT, individually,</b></p> <p><i>Defendants.</i></p>
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**Case No.: CL24-3910**

**CONSENT FINAL ORDER**

On December 16, 2025, Plaintiffs Atlantic Wave Holdings, LLC and Secure Community, LLC and Defendants Cyberlux Corporation and Mark D. Schmidt, individually, by their Receiver, Robert W. Berleth, Esq.,<sup>1</sup> appeared by and through counsel before this Court on the Plaintiffs' Motion to Dissolve Stay and Enter Consent Order. Having considered the arguments and evidence presented, the Court makes the following ruling:

It appearing that this matter has been previously visited by the court when Plaintiffs and the Receiver, on September 19, 2025, filed a Joint Motion for Entry of a Consent Order ("First Motion") entered between Plaintiffs and the Receiver, on behalf of the Plaintiffs. The Defendants objected and the Court allowed the parties to brief the issues, after which the Court entered a written "Opinion and Order" dated October 30, 2025, ruling on the First Motion.

As part of the October 30, 2025, order, the Court, among other things, ruled that the Settlement Agreement entered in CL22-3882 between Plaintiffs and Defendants was valid, and

<sup>1</sup> While the Receivership names Mark D. Schmidt, individually, as a Judgment Debtor, the Receiver has filed an Order in Texas, which has yet to be entered, removing Mark D. Schmidt, individually, from the terms of the Receivership Order in Texas.

that the Order of Receivership was properly recorded in the City of Richmond, without objection. The Receiver in this case was appointed by the Honorable Michael Gomez, on May 22, 2025, in the 129<sup>th</sup> Judicial Court in Harris County Texas, Cause Number 2024448085, to control the business function, in all respects, of the Defendant Cyberlux Corporation and the individual, Mark D. Schmidt.

Notwithstanding, based on the representation that the Defendants had noted an appeal in the Texas Court of Appeals appealing the denial of the Defendants' Petition for a Writ of Mandamus, and the Defendants' representation that the Defendants had filed an Emergency Motion in the Harris County District Court seeking the termination of the Receivership, the Court denied the entry of the consent order in the First Motion and stayed further rulings pending the resolution of proceedings in Texas.

And it further appearing that, subsequent to the entry of the October 30, 2025, ruling on the First Motion, there has been a change in circumstances causing Plaintiffs to file this second motion to lift the current stay and enter an order based on the original agreement set forth in the First Motion (the "Second Motion"). The Receiver had no objection to the Second Motion.

And it further appearing that by Abatement Order entered in the Texas Court of Appeals on November 4, 2025, the Texas Court of Appeals abated, treated as a closed case, and removed from the docket, the Defendants' appeal of the denial of the Petition for Writ of Mandamus as reflected by Exhibit B attached to Second Motion.

And it further appearing that on November 11, 2025, the Harris County District Court denied Defendants' Emergency Motion to Stay as reflected by Exhibit D attached to the Second Motion.

And it lastly appearing to the court the Receiver has authority to control and or manage

litigation incident to his role and that the Receiver and Plaintiffs have agreed to the entry of a judgment by consent against the Defendants to resolve the Complaint and finalize the litigation, it is therefore ORDERED that judgment is GRANTED in favor of Plaintiffs Atlantic Wave Holdings, LLC and Secure Community, LLC and against Defendants Cyberlux Corporation and Mark D. Schmidt, individually, jointly and severally, as follows:

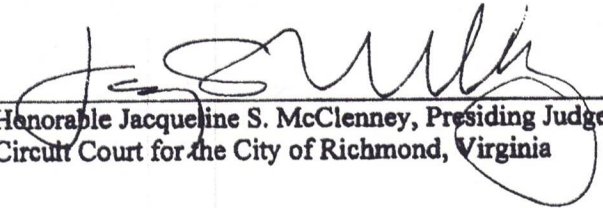
- a. The Court awards Plaintiffs the negotiated sum of SIX MILLION DOLLARS (\$6,000,000.00) in compensatory damages, jointly and severally, against Defendants Cyberlux Corporation and Mark D. Schmidt, individually, to resolve the claims alleged in Plaintiffs' complaint.
- b. That Plaintiffs be awarded all their costs, including reasonable attorney's fees in the amount of \$25,250.50, per the parties agreement and post judgment interest at the rate of 6% per annum from the date of entry of this order.
- c. Any remaining Motions pending before the court are dismissed as moot.
- d. Plaintiffs' Complaint and Defendants' Counter-Complaint are hereby dismissed with prejudice to the parties.
- e. The cause is ended and may be stricken from the docket upon entry of this order.

The Court notes that the Defendants, by counsel, filed a Motion to Quash the December 16, 2025, hearing based on its assertion that the hearing was improperly scheduled, and that defense counsel was unable to appear. The Defendants' counsel of record did not appear. The Plaintiffs filed a Response in Opposition to the Motion to Quash electronically with supporting exhibits. The Defendants then filed a reply, electronically, all of which were reviewed by the court and considered. Based on the pleadings and argument, the Motion to Quash is Denied. The Court


makes no ruling on whether the Defendants had standing to claim defective notice and makes no ruling on whether the Defendants have any appellate rights.

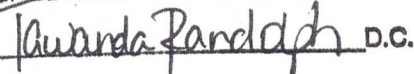
It is SO ORDERED.

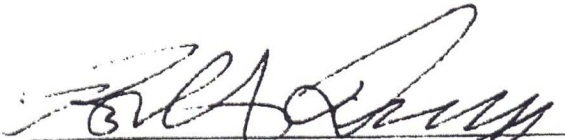
ENTERED This 18 day of December, 2025

  
Honorable Jacqueline S. McClenney, Presiding Judge  
Circuit Court for the City of Richmond, Virginia

WE ASK FOR THIS:

  
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Signature Waived Pursuant to Rule 1:13

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