



The Truth About Cyberlux's Receivership: Paused, Not Over

Description

Ghostandgurgi is feeling bullish. He's the kind of Stocktwits oracle who, with a bear for an avatar and a zealot's faith in his ticker, will confidently assure the world—the receiver currently lacks any authority, the receivership's been stayed, the company continues as an ongoing operation without the scrutiny of the receiver. According to Ghost, it's all doom-mongering, all FUD, all clickbait from journalists and jilted creditors.

You've seen the type. The know-it-all who claims, in one breath, to be a humble investor, and in the next, to have spent his nights poring over the Texas appellate docket. There's nothing to worry about, he'll say, the legal mess has been sorted, Cyberlux is just a misunderstood darling of the defense sector—paused maybe, but far from out.

But here's the rub: A stay isn't a pardon. Wishful thinking doesn't dissolve a court order. In the real world—beyond the dopamine-soaked banter of message boards—a receivership is not a switch you flip off and walk away from. Especially not when tens of millions of dollars, dozens of unpaid creditors, and a court-appointed officer stand between the company and chaos. Let's pull back the curtain. Let's get past the bravado.

First, a little legal translation, because language is everything in the courthouse, and on Stocktwits, it's usually the first casualty. A stay is a pause. It's the court saying, hold everything, don't move until we sort this out. In the case of Cyberlux, the First Court of Appeals in Houston issued just such a stay on June 30, 2025, freezing the active powers of the receiver—temporarily halting his ability to seize assets, pay creditors, or wind down operations.

But a stay is not a termination. It's not a reset. It doesn't return the company to its directors, doesn't wipe the slate clean, doesn't let leadership pick up where they left off. The receivership still exists. The receiver is still the court's representative, still accountable, still standing guard over the embers of what used to be Cyberlux's business. When the stay is lifted (and, based on the filings, it's a when, not an if), the receiver's powers snap right back into place. Termination of a receivership, on the other hand, is the court's way of saying, you're done here. Pack up. The company can resume business. That has not happened. No court has ordered it, no judge has signed

it, and no message board manifesto can wish it into existence.

Now let's talk about what's really going on—not in Ghostandgurgi's fever dreams, but in the pages of the receiver's most recent report to the court. The language isn't just blunt. It's eviscerating. Cyberlux Corp., owned and operated by Mark Schmidt, is the very definition of a sham corporation. Plain and simple. Their efforts to persuade this Court to grant relief should fail. Otherwise, this Court will enable Cyberlux to perpetuate further fraud on unwitting vendors and contractors—none of whom they have ever paid or will ever be paid—despite their proclamations that they intend to do so. In short, the Court should easily conclude Cyberlux is a corporate deadbeat.

No ambiguity. No boardroom euphemism. According to the receiver, Cyberlux isn't just in financial trouble—it's a husk. A paper tiger, roaring on press releases and message boards, but hollowed out by years of unpaid bills, angry creditors, and operational collapse. The receiver describes securing Cyberlux's manufacturing facility, changing the locks, and overseeing the last shipment of government property. Not long after, the landlord locked out Cyberlux for unpaid rent. Employees stopped getting paid. Daily operations, as of June, simply don't exist.

And then comes the line that really deserves a frame: "Since at least June 11, 2025, due to a lockout by the landlord and Cyberlux's failure to pay their employees, there are no known daily operations for the Receiver to disturb or with which to interfere."

Let that roll around for a moment. The receivership isn't strangling a thriving business—it's standing guard over a ruin. Claims that the stay has liberated Cyberlux are like shouting "all clear" in a building after the fire has gutted every floor.

What's left? One asset: a pending payment of \$25,795,303.38 from HII Mission Technologies Corp. That's it. Everything else—facilities, contracts, goodwill—is either shuttered or gone. The receiver has spent months wrangling a global settlement—a plan that would wipe out \$70 million in claims against Cyberlux for just \$25 million, and resolve at least 21 lawsuits from creditors across the country. Everyone's signed on, or is ready to, if the appellate court lifts the stay. Creditors will finally get their day. The judiciary can finally close the book. But with the stay in place, that \$25 million sits in limbo. The danger, the receiver warns, is that a continued pause will benefit Cyberlux and only Cyberlux, opening the door for the company's leadership to grab the money and leave everyone else in the dust.

If the stay is not lifted, it gives Cyberlux direct access to the approximately \$25 million pending payment and it is questionable (and unlikely) that they are interested in paying their creditors. Indeed, they have not done so nor have a pattern of doing so.

While the receiver is documenting shuttered buildings and unpaid staff, Cyberlux's public releases paint a different universe: Q2 revenue of \$24.5M, year-to-date revenue of \$29.6M, \$18.1 million backlog, and expanding global defense footprint. On paper, it's the story of a company in full flight, supplying drones to the Pentagon and innovation to the world. In court, it's the story of a business that can't pay its bills, can't keep the lights on, and can't find a single employee to cash a paycheck. The gap between those realities is more than a rounding error—it's the difference between Wall Street and the real world.

So, should anyone partner with Cyberlux? Would you trust a company whose own court-appointed receiver calls it a “sham,” whose last facility was locked out by a landlord, whose only asset is a pending lump sum about to be divvied up by creditors, and whose leadership has a documented pattern of promising to pay and never following through? Should the defense sector, or any sector, treat Cyberlux as a viable partner? To stay or abate this receivership, thus giving Cyberlux direct access to the Corpus of the ~\$25 million pending payment, would be a grave injustice to the other Creditors of Cyberlux. For now, the only thing standing between a feeding frenzy and total chaos is the court. Ignore the message board bravado. In this case, the stay is just a pause—and the clock is ticking.

But let’s not pretend this whole circus isn’t, at least partly, about hope. That desperate, ferocious hope retail investors clutch in the dark, when a press release or a message board post becomes a lifeline. If you’ve bet the rent on redemption, optimism is almost a survival instinct—the psychology is older than Wall Street. We want to believe the next ruling, the next contract, the next rumor will make it all right. We all want to think our side is the smart one, and our losses can’t possibly be real until the last judge turns off the lights.

Still. The next time you see a Stocktwits bull celebrating the end of the receivership, remember: the only thing that’s ended is the fantasy. The receivership is paused, not dead. And when the court presses play, the real reckoning begins. If you’re holding out hope for Cyberlux, or thinking of joining the dance—be sure you know who’s actually leading. And remember: In this game, bravado is cheap. Court orders aren’t.

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