

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

SUMMARY ORDER

RULINGS BY SUMMARY ORDER DO NOT HAVE PRECEDENTIAL EFFECT. CITATION TO A SUMMARY ORDER FILED ON OR AFTER JANUARY 1, 2007, IS PERMITTED AND IS GOVERNED BY FEDERAL RULE OF APPELLATE PROCEDURE 32.1 AND THIS COURT'S LOCAL RULE 32.1.1. WHEN CITING A SUMMARY ORDER IN A DOCUMENT FILED WITH THIS COURT, A PARTY MUST CITE EITHER THE FEDERAL APPENDIX OR AN ELECTRONIC DATABASE (WITH THE NOTATION "SUMMARY ORDER"). A PARTY CITING TO A SUMMARY ORDER MUST SERVE A COPY OF IT ON ANY PARTY NOT REPRESENTED BY COUNSEL.

At a stated term of the United States Court of Appeals for the Second Circuit, held at the Thurgood Marshall United States Courthouse, 40 Foley Square, in the City of New York, on the 31st day of August, two thousand twenty-six.

PRESENT:

DENNIS JACOBS,
GERARD E. LYNCH,
RICHARD J. SULLIVAN,
Circuit Judges.

GENIUS GROUP LTD.,

Petitioner-Appellant,

v.

No. 25-630

LZG INTERNATIONAL, INC.,

Respondent-Appellee.

VSTOCK TRANSFER, LLC,

*Nominal Respondent.**

For Petitioner-Appellant:

MARJORIE SANTELLI (Mark R. Basile, *on the brief*), The Basile Law Firm P.C., Jericho, NY.

For Respondent-Appellee:

BRIAN D. KOOSSED, Venable LLP, Washington, DC.

Appeal from an order of the United States District Court for the Southern District of New York (Mary Kay Vyskocil, *Judge*).

UPON DUE CONSIDERATION, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that the March 13, 2025 order of the district court is **VACATED AND REMANDED**.

Genius Group Ltd. (“Genius Group”) appeals the district court’s March 13, 2025 Opinion and Order granting the motion of LZG International, Inc. (“LZG”) for a preliminary injunction in aid of arbitration. Notice of Appeal, Doc. No. 1; *see also Genius Grp. v. LZG Int’l*, No. 1:24-cv-8464 (MKV), 2025 WL 815346, at *1 (S.D.N.Y. Mar. 13, 2025). Genius Group argues that the district court found

* The Clerk of Court is respectfully directed to amend the official caption in this case to conform to the caption above.

erroneous facts and improperly weighed the factors relevant to the granting of a preliminary injunction. We assume the parties' familiarity with the underlying facts, procedural history, and issues on appeal, to which we refer only as necessary to explain our decision.

The March 13, 2025 injunction sought to “maintain[] the *status quo* while the parties arbitrate their disputes” by enjoining (i) LZG from disposing of its shares of stock in Genius Group and (ii) Genius Group “from issuing additional shares of its stock,” “manipulat[ing] . . . its shares,” and “purchasing Bitcoin.” *Genius Grp.*, 2025 WL 815346, at *8. On May 7, 2025, a motions panel of this Court stayed the injunction as it applied against Genius Group pending the resolution of this appeal. Motion Order, Doc. No. 26, at 2. We heard oral argument on January 20, 2026.

Meanwhile, the parties proceeded to arbitration. In light of the parties' representations to this Court – first, at oral argument, that the arbitrator would imminently decide the merits of the parties' positions and later, via letter submissions, that the parties were engaged in settlement discussions – we refrained from ruling on this appeal. *See* Order, Doc. No. 87, at 1; LZG Ltr., Doc.

No. 88; Genius Grp. Ltr., Doc. No. 89. On April 16, 2026, the arbitrator issued a final award in favor of Genius Group. LZG Ltr., Doc. No. 88; Genius Grp. Ltr., Doc. No. 89. In the district court, Genius Group petitioned to confirm the award pursuant to section 9 of the Federal Arbitration Act (“FAA”), 9 U.S.C. § 9; Genius Grp. Pet., Doc. No. 1, *Genius Grp. v. LZG Int’l*, No. 1:26-cv-3961 (MKV) (S.D.N.Y. May 13, 2026), and LZG cross-moved to vacate the award pursuant to section 10 of the FAA, 9 U.S.C. § 10; LZG Cross-Mot., Doc. No. 16, *Genius Grp. v. LZG Int’l*, No. 1:26-cv-3961 (MKV) (S.D.N.Y. June 11, 2026).

Because the preliminary injunction in aid of arbitration as against Genius Group has been stayed pending appeal and the arbitrator has now ruled on the merits, that injunction may no longer be necessary. Accordingly, we VACATE the injunction against Genius Group and REMAND the case to the district court for such further proceedings as may be required to “maintain the status quo pending resolution of the case.” *N. Am. Soccer League, LLC v. U.S. Soccer Fed’n, Inc.*, 883 F.3d 32, 36 (2d Cir. 2018). Nothing in this summary order shall preclude LZG from

filing a new motion before the district court for a preliminary injunction in aid of arbitration.

FOR THE COURT:

Catherine O'Hagan Wolfe, Clerk of Court