

SUPREME COURT OF THE STATE OF NEW YORK, APPELLATE DIVISION,
FIRST DEPARTMENT

DKC Group Holdings, LLC v. Reece, Inc.

2026 NY Slip Op 01442 · No. Index No. 655014/24; Appeal No. 5815; Case No. 2025-05347 · Decided March 12, 2026

SUMMARY

The Appellate Division, First Department affirmed dismissal of plaintiffs’ aiding-and-abetting breach of fiduciary duty claim for lack of personal jurisdiction under CPLR 3211(a)(8). The court held that the claim did not arise from or relate to the parties’ confidentiality agreement and therefore was not covered by its New York forum-selection clause, despite overlapping operative facts with plaintiffs’ contract claim.

CASE DETAILS

COURT	Supreme Court of the State of New York, Appellate Division, First Department
WRITING FOR THE COURT	Manzanet-Daniels, J.P.; Kapnick, J.; Pitt-Burke, J.; Higgitt, J.; Rosado, J.
JURISDICTION	Supreme Court of the State of New York, Appellate Division, First Department
DECIDED	March 12, 2026
DOCKET	Index No. 655014/24; Appeal No. 5815; Case No. 2025-05347
DISPOSITION	affirmed
PROCEDURAL POSTURE	Plaintiffs appealed from an order of Supreme Court, New York County, granting defendant's motion to dismiss the fourth cause of action for aiding and abetting breach of fiduciary duty.
STANDARD OF REVIEW	The Appellate Division reviewed the dismissal of the claim for lack of personal jurisdiction under CPLR 3211(a)(8), determining whether plaintiffs pleaded a sufficient nexus between the claim and the contractual forum-selection clause.
PRECEDENTIAL VALUE	published
PARTIES	DKC Group Holdings, LLC et al. v. Reece, Inc.

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QUESTIONS PRESENTED

1. Whether plaintiffs pleaded a sufficient nexus between their aiding-and-abetting breach-of-fiduciary-duty claim and the confidentiality agreement's New York forum-selection clause to establish personal jurisdiction over defendant.
2. Whether overlap between the operative facts supporting the aiding-and-abetting claim and the breach-of-contract claim brought the tort claim within the scope of the confidentiality agreement's forum-selection clause.
3. Whether the court needed to reach plaintiffs' alternative arguments concerning dismissal under CPLR 3211(a)(4).

HOLDINGS

1. The claim did not arise out of or relate to the confidentiality agreement because the fiduciary duties underlying the claim arose from separate award agreements between plaintiffs and the former employees.
2. Supreme Court properly dismissed the aiding-and-abetting claim under CPLR 3211(a)(8) for lack of personal jurisdiction.

KEY QUOTATIONS

*“forum selection clauses only extend to extra-contractual causes of action where the tort claim “depend[s] on the existence of a contractual relationship”” (*1)*

*“Although the aiding and abetting claim is based on some of the same operative facts, there is no other nexus with the confidentiality agreement” (*1)*

FACTUAL BACKGROUND

The parties explored a possible acquisition of plaintiffs by defendant and entered into a confidentiality agreement containing an exclusive New York forum-selection clause for disputes arising out of or relating to that agreement. After plaintiffs' business was sold to another company, plaintiffs alleged that defendant solicited and hired nearly 50 of their employees in breach of the confidentiality agreement. Plaintiffs also alleged that defendant aided and abetted three former employees' breaches of fiduciary and contractual duties under separate award agreements, including by inducing employee solicitation and misappropriation of confidential information.

PROCEDURAL HISTORY

Supreme Court, New York County, entered an order on August 1, 2025, dismissing plaintiffs' aiding-and-abetting breach-of-fiduciary-duty claim for lack of personal jurisdiction under CPLR 3211(a)(8). The Appellate Division, First Department, unanimously affirmed the order insofar as appealed from, without costs.

DISPOSITION

affirmed

CASES CITED

- U.S. Immigration Fund LLC v. Litowitz, 182 A.D.3d 505, 505-506 (1st Dep't 2020)
- Aerogen LLC v. Tapjets Holdings Inc., 238 A.D.3d 532, 533 (1st Dep't 2025)
- KnowYourMeme.com Network, Inc. v. Nizri, 2023 WL 6619165, at *1, 2023 U.S. App. LEXIS 26933, at *3 (2d Cir. Oct. 11, 2023) (No. 22-1322)
- Direct Mail Prod. Servs. Ltd. v. MBNA Corp. (S.D.N.Y. Sept. 7, 2000) (No. 99 CIV 10550 (SHS))
- Credit Suisse Sec. (USA) LLC v. Hilliard, 469 F. Supp. 2d 103, 107-108 (S.D.N.Y. 2007)

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