

**SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF WESTCHESTER**

RETHINK CAPITAL PARTNERS I, LLC,  
SEAVEST EDUCATION PARTNERS, LLC,  
AND SEAVEST IMPACT PARTNERS, LLC,

Petitioners,

v.

RICHARD D. SEGAL,

Respondent.

Index No. \_\_\_\_\_

**VERIFIED PETITION TO STAY  
ARBITRATION**

Petitioners Rethink Capital Partners I, LLC (“RCP I”), Seavest Education Partners, LLC (“Seavest Education”), and Seavest Impact Partners, LLC (“Seavest Impact,” and, with RCP I and Seavest Education, “Petitioners”), by their attorneys Clarick Gueron Reisbaum LLP and Gibson, Dunn & Crutcher LLP, as and for their petition (the “Petition”) to permanently stay arbitration pursuant to Article 75 of the New York Civil Practice Law and Rules (“CPLR”) aver as follows:

**INTRODUCTION**

1. By way of this special proceeding, Petitioners seek to ensure that any dispute concerning the repurchase of Respondent’s membership interests in Petitioners be determined in court as specifically required by Petitioners’ operating agreements—and not in arbitration as Respondent seeks to do.

2. Respondent Richard Segal is a former partner in the Rethink private equity and venture capital fund family. His past roles included Co-CEO of Rethink’s primary investment management entity, Rethink Capital Partners, LLC (“Rethink LLC”), and membership in various Rethink fund entities and affiliates, including Petitioners.

3. In 2022, Segal resigned from all management roles of Rethink and took on the title of “Executive Director” of Rethink LLC for a period of two years, during which time he had no duties, responsibilities, or management rights of any kind.

4. In April 2024, Segal resigned as “Executive Director” of Rethink LLC.

5. In October 2024, Segal resigned and withdrew as a Class A member of Rethink LLC.

6. These resignations triggered the repurchase of Segal’s membership interests in Petitioners, which serve to receive and distribute profit interests associated with specific Rethink investment funds. (The April 2024 resignations also separately triggered the repurchase of Segal’s interest in Rethink LLC. The circumstances and results of that repurchase are also being disputed by Segal and have been litigated in this Court in an action denominated *Richard D. Segal v. Rethink Capital Partners, Inc., et al.*, Index No. 74512/2024 (“Rethink LLC Action”).)

7. On November 15, 2024, Petitioners gave Respondent notice that his membership interests in Petitioners and certain additional analogous entities (collectively, the “Carry Vehicles”) were subject to repurchase as a result of his resignation(s) and/or withdrawal(s). Segal purported to deny that his resignations and withdrawals from various Rethink entities triggered the repurchase of his interests in the Carry Vehicles.

8. On March 26, 2025, months after first disputing the repurchase of his interests in the Carry Vehicles and nearly a month after the deadline for substantial completion of document discovery in the Rethink LLC Action, Segal commenced an arbitration before the American Arbitration Association (“Arbitration”) disputing the repurchase of his interests in Petitioners. There is no basis to arbitrate these claims. None of the Petitioners (and indeed none of the Carry Vehicles) is party to any arbitration agreement. Rather, each Petitioner’s (and each Carry

Vehicle's) Operating Agreement (or LLC Agreement) identifies the state and federal courts located in Westchester County as the exclusive venue for any such dispute.

9. By this proceeding, Petitioners seek to halt the unauthorized arbitration of Respondent's (baseless) claim that none of his resignations or withdrawals from any Rethink entity over the past three years triggers the repurchase of his membership interests in Petitioners.

### **PARTIES**

10. Petitioner RCP I is a Delaware limited liability company, organized on March 20, 2020.

11. Petitioner Seavest Education is a Delaware limited liability company, organized on May 19, 2013.

12. Petitioner Seavest Impact is a Delaware limited liability company, organized on November 16, 2016.

13. Respondent is a natural person and, on information and belief, a resident of Indian River County, Florida.

### **JURISDICTION AND VENUE**

14. This Court has jurisdiction over this matter under Article 75 of the CPLR.

15. Respondent is subject to the personal jurisdiction of the courts of the State of New York because, on information and belief, he conducts business in the state of New York. Moreover, he conducted business in and, on information and belief, lived in the State of New York at the time all or nearly all the Operating Agreements for RCP I, Seavest Education, and Seavest Impact were executed.

16. Further, Respondent has consented to the personal jurisdiction of this Court pursuant to Section 12.8 of each of RCP I's, Seavest Education's, and Seavest Impact's Operating Agreements.

17. Venue is proper in this Court pursuant to CPLR 501, CPLR 503, and/or N.Y. General Obligations Law § 5-1402. Section 12.8 of each of RCP I's, Seavest Education's, and Seavest Impact's Operating Agreements also provides for venue in this County.

### **FACTS**

#### **RCP I**

18. A true and correct copy of RCP I's Operating Agreement is attached hereto as Exhibit A. This document was also attached as Exhibit 3 to Respondent's Demand in the Arbitration.

19. Respondent is a signatory to RCP I's Operating Agreement, both in his personal capacity and in his capacity as then-co-CEO of Rethink Capital Partners, Inc. (f/k/a Seavest Inc.).

20. Section 12.8 of RCP I's Operating Agreement makes state or federal courts sitting in Westchester County, New York the sole permissible forum for legal actions related to RCP I and/or its Operating Agreement. Section 12.8 provides in full:

**12.8 Governing Law; Exclusive Jurisdiction.** The validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, and related matters shall be governed by the internal laws of the State of Delaware (without reference to choice of law doctrine). Any legal action or proceeding concerning the validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, or related matters shall be brought exclusively in a state or federal court of appropriate jurisdiction sitting in the State of New York in the County of Westchester, and all parties consent to the exclusive jurisdiction of those courts, waiving any objection to the propriety or convenience of such venues.

21. RCP I's Operating Agreement does not provide for arbitration of any claims related thereto.

**Seavest Education**

22. A true and correct copy of Seavest Education's Operating Agreement is attached hereto as Exhibit B. This document was also attached as Exhibit 4 to Respondent's Demand in the Arbitration.

23. Respondent is a signatory to Seavest Education's Operating Agreement, both in his personal capacity and in his capacity as then-co-CEO of Rethink Capital Partners, Inc. (f/k/a Seavest Inc.).

24. Section 12.8 of Seavest Education's Operating Agreement makes state or federal courts sitting in Westchester County, New York the sole permissible forum for legal actions related to Seavest Education and/or its Operating Agreement. Section 12.8 provides in full:

**12.8 Governing Law; Exclusive Jurisdiction.** The validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, and related matters shall be governed by the internal laws of the State of Delaware (without reference to choice of law doctrine). Any legal action or proceeding concerning the validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, or related matters shall be brought exclusively in a state or federal court of appropriate jurisdiction sitting in the State of New York in the County of Westchester, and all parties consent to the exclusive jurisdiction of those courts, waiving any objection to the propriety or convenience of such venues.

25. Seavest Education's Operating Agreement does not provide for arbitration of any claims related thereto.

**Seavest Impact**

26. A true and correct copy of Seavest Impact's Operating Agreement is attached hereto as Exhibit C. This document was also attached as Exhibit 5 to Respondent's Demand in the Arbitration.

27. Respondent is a signatory to Seavest Impact's Operating Agreement, both in his personal capacity and in his capacity as then-co-CEO of Rethink Capital Partners, Inc. (f/k/a Seavest Inc.).

28. Section 12.8 of Seavest Impact's Operating Agreement makes state or federal courts sitting in Westchester County, New York the sole permissible forum for legal actions related to Seavest Impact and/or its Operating Agreement. Section 12.8 provides in full:

**12.8 Governing Law; Exclusive Jurisdiction.** The validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, and related matters shall be governed by the internal laws of the State of Delaware (without reference to choice of law doctrine). Any legal action or proceeding concerning the validity, interpretation and enforcement of this Agreement, matters arising out of or related to this Agreement or its making, performance or breach, or related matters shall be brought exclusively in a state or federal court of appropriate jurisdiction sitting in the State of New York in the County of Westchester, and all parties consent to the exclusive jurisdiction of those courts, waiving any objection to the propriety or convenience of such venues.

29. Seavest Impact's Operating Agreement does not provide for arbitration of any claims related thereto.

### The Arbitration

30. On or about March 26, 2025, after obstructing the repurchase of his interest in the Carry Vehicles for months (and after months of active litigation and discovery in the Rethink LLC Action), Respondent commenced the Arbitration by filing a demand for arbitration and statement of claim with the American Arbitration Association. He served these papers by certified mail on or about March 28, 2025.

31. A true and correct copy of the Demand and Statement of Claim in the Arbitration (without exhibits) is attached hereto as Exhibit D.

32. Respondent asserts two sets of claims in the Arbitration.

33. His first set of claims in the Arbitration relates to severance payments under his April 7, 2022 Separation and Release Agreement.<sup>1</sup> These claims, while meritless (including because Rethink has made all required payments under the Separation Agreement), are indeed subject to arbitration pursuant to the arbitration clause contained in the Separation Agreement, which provides as follows in Section 20(a):

The Parties mutually agree to resolve through binding arbitration any and all disputes regarding this Agreement or the obligations created thereunder. This Arbitration Clause does not apply to any claims that cannot be arbitrated under applicable law. To the extent the Parties have both arbitrable and non-arbitrable disputes that are related, the arbitrable disputes shall proceed first in arbitration and the non-arbitrable disputes shall be stayed, and any applicable statutes of limitations tolled, pending completion of the arbitration.

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<sup>1</sup> Due to confidentiality provisions in the Separation Agreement, Petitioners have not, out of an abundance of caution, attached it to this pleading. Respondent filed the Separation Agreement, in unredacted form, as the first exhibit to his Demand in the Arbitration. Upon consent of Respondent or order of the Court, Petitioners will promptly file the Separation Agreement. (For the avoidance of doubt, Petitioners reserve their right to take the position at any stage in this proceeding that the Separation Agreement may be publicly filed, in full, with or without Respondent's consent and with or without a Court order.)

34. Segal's second set of claims in the Arbitration are asserted against Petitioners and seek to avoid the buy-out of his interests in Petitioners pursuant to buy-out provisions contained in each of Petitioners' respective Operating Agreements. These claims are not arbitrable.

35. None of the three Petitioners are parties to the Separation Agreement.

36. None of the three Petitioners are parties to any arbitration agreement with Respondent.

37. To the contrary, as set forth above, each Petitioner's Operating Agreement provides that the federal or state courts located in Westchester County are the *exclusive* fora for the resolution of any dispute.

38. The Separation Agreement was the subject of lengthy and detailed negotiations, in which Respondent was represented by sophisticated counsel (indeed, the same counsel who commenced both the Arbitration and the Rethink LLC Action).

39. Nothing in the Separation Agreement purports to modify the terms of any Operating Agreement of any Rethink entity, including the exclusive forum selection clauses of those Operating Agreements.

40. If the parties had intended to abrogate the exclusive forum selection clauses in Petitioners' Operating Agreements, they could easily have so provided. They did not.

41. If the parties to the Separation Agreement had intended to make the arbitration clause in that agreement control disputes arising under the buy-out provisions of Petitioners' Operating Agreements, they could have so provided—including by making Petitioners parties to the Separation Agreement, which they did not do.

#### **COUNT I – STAY ARBITRATION**

42. Petitioners incorporate Paragraphs 1 through 41 as if fully set forth herein.



43. Respondent may not compel RCP I to arbitrate claims asserted against it in the Arbitration, where RCP I has not consented to arbitrate those, or any, claims.

44. Respondent may not compel Seavest Education to arbitrate claims asserted against it in the Arbitration, where Seavest Education has not consented to arbitrate those, or any, claims.

45. Respondent may not compel Seavest Impact to arbitrate claims asserted against it in the Arbitration, where Seavest Impact has not consented to arbitrate those, or any, claims.

46. Further, Respondent's claims in the Arbitration against RCP I, Seavest Education, and Seavest Impact all fall within the forum selection clauses in each of those entity's Operating Agreements, which provide that any dispute concerning the provisions of those agreements must be resolved through litigation in state or federal court in Westchester County—not arbitration. *See, e.g.*, Ex. A–C; Ex. D ¶¶ 86–99 (claims against RCP I, repeatedly citing RCP I's Operating Agreement); Ex. D ¶¶ 100–13 (claims against Seavest Education, repeatedly citing Seavest Education's Operating Agreement); Ex. D ¶¶ 114–27 (claims against Seavest Impact, repeatedly citing Seavest Impact's Operating Agreement).

47. Thus, Respondent's attempt to arbitrate claims related to RCP I, Seavest Education, and Seavest Impact, rather than litigate them (if at all) in state or federal court in Westchester County, New York, must be rejected.

48. This Court should permanently stay the arbitration against RCP I, Seavest Education, and Seavest Impact. *E.g., Marek v. Alexander Laufer & Son, Inc.*, 257 A.D.2d 363, 363–64 (1st Dep't 1999) (reversing denial of petition to stay arbitration because “[i]t is settled that a party will not be compelled to arbitrate and, thereby, to surrender the right to resort to the courts, absent evidence which affirmatively establishes that the parties expressly agreed to

arbitrate their disputes” (quotation marks omitted)); *Blizzard Cooling, Inc. v. Park Devs. & Builders, Inc.*, 134 A.D.3d 867, 868–69 (2d Dep’t 2015) (reversing grant of motion to compel arbitration on same basis).

**REQUEST FOR RELIEF**

WHEREFORE, pursuant to the provisions of CPLR Article 75 and all other applicable law, Petitioners respectfully request that this Court issue an Order, as follows:

A. Permanently staying the Arbitration to the extent it seeks relief (1) against Petitioners, or (2) concerning the repurchase of Respondents’ membership interests in Petitioners; and

B. Granting any other, additional, and different relief this Court deems just and proper.

*[Remainder of Page Intentionally Left Blank]*

Dated: April 14, 2025  
New York, New York

CLARICK GUERON REISBAUM LLP

*/s/ Isaac B. Zaur* \_\_\_\_\_

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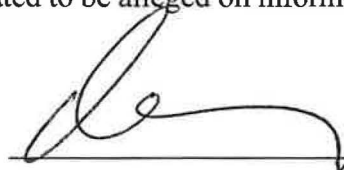
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**VERIFICATION**

Douglas Ray, being duly sworn, deposes and says:

I have read the foregoing Petition and know the contents thereof. To my knowledge, the facts as alleged therein are true, except as to matters stated to be alleged on information and belief, and as to those matters I believe them to be true.

 [SIGNED]

Douglas Ray [TYPED]

Sworn to before me on this 14<sup>th</sup> day  
of April, 2025

  
Notary Public

SUSANNA MEI DOLAN  
Notary Public, State of New York  
Registration No. 01DO0006470  
Qualified in Kings County  
Commission Expires April 27, 2027